

Effective:  
15 September 2025  
Version 023

# **AUSTRALIAN PAYMENTS NETWORK LIMITED**

ABN 12 055 136 519

**A Company limited by Guarantee**

## **PROCEDURES**

for

## **AUSTRALIAN CASH DISTRIBUTION AND EXCHANGE SYSTEM**

**(CS5)**

Commenced 3 December 2001

Copyright © 2001-2025 Australian Payments Network Limited  
ABN 12 055 136 519

**Australian Payments Network Limited**

Telephone: (02) 9216 4888

---

**Procedures for  
AUSTRALIAN CASH DISTRIBUTION AND EXCHANGE SYSTEM**

**INDEX**

<b>PART 1 PRELIMINARY.....</b>	<b>5</b>
1.1 Definitions	5
1.2 Interpretation	7
1.3 Inconsistency with Articles and Regulations	8
1.4 Governing Law	8
1.5 Copyright	8
<b>PART 2 PROCEDURAL RULES GOVERNING INTERBANK CASH EXCHANGE OPERATIONS .....</b>	<b>9</b>
2.1 Management Committee	9
2.2 ACDES Framework Participant Obligations	9
2.2.1 General	9
2.2.2 Deal Specific	9
2.3 Dealing Limits	9
2.4 Transaction Limit	9
2.5 Transaction Multiples	9
2.6 Review of Transaction Limits	9
2.7 Offer and Acceptance Procedures	10
2.7.1 Offer	10
2.7.2 Acceptance of Offers and Entering into Legally Binding Transactions	10
2.7.3 Appointed Exchange Times for Interim Settlement Sheets [Deleted]	10
2.7.4 Contract Notes [Deleted]	11
2.8 Offer and Acceptance Procedures for South Australia [Deleted]	11
2.9 Cash Pool Movement Requests [Deleted]	11
2.10 System Mechanics	11
2.10.1 Access	11
2.10.2 Hours of Operation	11
2.11 Value Settlement	12
2.11.1 Timings	12
2.11.2 Responsibility (Buyer)	12
2.11.3 Method (RITS)	12
2.12 Transaction Number	13

---

2.13 Liability for late Delivery	14
2.13.1 Interest payable for late delivery	14
2.13.2 Notice of non-delivery	14
2.13.3 Trade Cancellations	14
2.14 Non-acceptance	15
2.15 Force majeure	15
2.16 Instructions for Completion of Standing Orders	15
2.17 Cancellation of Standing Orders	17
<b>PART 3 CASH QUALITY.....</b>	<b>18</b>
3.1 Overview	18
3.2 Notes	18
3.2.1 RBA Note Sorting Guidelines	18
3.2.2 Fit	18
3.2.3 Unfit	18
3.2.4 Badly Damaged/Incomplete	19
3.2.5 Contaminated	19
3.2.6 Counterfeit	19
3.3 Coin	19
3.3.1 Reissuable	19
3.3.2 Mutilated	19
3.3.3 Bronze	20
3.3.4 Worn and Damaged	20
3.3.5 Collector	20
3.3.6 Counterfeit	20
3.3.7 Contaminated	20
<b>PART 4 CASH PACKAGING .....</b>	<b>21</b>
4.1 Notes	21
4.2 Fit Notes	21
4.3 Other	21
4.3.1 Obsolete Denominations	21
4.4 Coin	22
4.4.1 Packaging Coin – Roll/Sachet Denominations	22
4.4.2 Obsolete Denominations and Bronze Coin	22
<b>PART 5 CASH MOVEMENTS .....</b>	<b>23</b>
5.1 Intra-Pool Transfer	23
5.1.1 Process	23

---

---

5.1.2 Cost Allocation	24
5.1.3 Cash Ownership and Security Protocol	24
5.2 Inter Depot	24
5.2.1 Process	24
5.2.2 Cost Allocation	25
5.3 ACDES Framework Participant to ACDES Framework Participant Direct	25
5.3.1 Process	25
5.3.2 Cost Allocation	26
<b>PART 6 PAYMENT AND SETTLEMENT .....</b>	<b>27</b>
6.1 Payment	27
6.2 Settlement Sheet	27
6.3 Settlement	27
6.4 Manual Settlement	28
6.5 Interest on non-payment	28
6.6 Mistaken payment	28
6.7 Instructions for Completion of Transaction File and Settlement Sheet	29
<b>PART 7 CASH VARIATIONS .....</b>	<b>32</b>
7.1 Overview	32
7.2 Process	32
7.3 Notification of Cash Variation	32
7.4 Liability for Cash Variations	33
<b>PART 8 CASH DISCREPANCIES .....</b>	<b>34</b>
8.1 Overview	34
8.2 Process	34
8.2.1 Identifying the Cash Discrepancy	34
8.2.2 Minimum Discrepancy Value	34
8.2.3 Making a Claim and Supporting Material	34
8.3 Value Settlement	35
8.4 An End-to-End Process Flow	36
<b>PART 9 AUDIT OF CASH CENTRES.....</b>	<b>38</b>
9.1 Arrangements of Audits	38
9.2 Participation in Audits	38
9.3 Costs of Audit	38
9.4 Amendment of Audit Arrangements	38
9.5 Revocation of Agency Authority	39

---

---

<b>PART 10 BILATERAL AGREEMENT .....</b>	<b>40</b>
10.1 Entry into Bilateral Agreement	40
10.2 Content	40
<b>PART 11 OPERATIONAL CONTACT POINTS .....</b>	<b>42</b>
11.1 Notification	42
11.2 Changes to contact details	42
<b>PART 12 CONTINGENCY ARRANGEMENTS .....</b>	<b>43</b>
12.1 Responsibilities	43
12.2 Contingency Procedures	43
<b>ANNEXURE A. BILATERAL AGREEMENT (CONFIDENTIAL) .....</b>	<b>45</b>
<b>ANNEXURE B. TIMELINE (CONFIDENTIAL) .....</b>	<b>62</b>
<b>ANNEXURE C. CASH VARIATIONS/DISCREPANCIES .....</b>	<b>64</b>
C.1 Cash Variations/Discrepancies (Confidential)	64
C.2 Minimum required information to be included in Proprietary Cash Discrepancy Claim Form	65
<b>ANNEXURE D. SETTLEMENT SHEET (CONFIDENTIAL) .....</b>	<b>66</b>
<b>ANNEXURE E. CASH ADMINISTRATION AND DISCREPANCIES CONTACT POINTS .....</b>	<b>67</b>
E.1 Cash Administration Area Contact Points (Confidential)	67
E.2 Cash Discrepancies Contact Points	67
<b>ANNEXURE F. OPERATIONAL CONTACT POINTS (CONFIDENTIAL) .....</b>	<b>68</b>
<b>ANNEXURE G. CONTINGENCY PROCEDURES FOR DISRUPTIVE EVENTS .....</b>	<b>69</b>
<b>ANNEXURE H. ACDES DISRUPTIVE EVENT ADVICE .....</b>	<b>79</b>
<b>ANNEXURE I. INTRA DEPOT TRANSFER SUMMARY SHEET .....</b>	<b>81</b>
<b>ANNEXURE J. BUSINESS RULES .....</b>	<b>83</b>
<b>ANNEXURE K. CASH OWNERSHIP AND SECURITY PROTOCOL .....</b>	<b>84</b>

## PART 1 PRELIMINARY

### 1.1 Definitions

Terms defined and interpreted in the Regulations bear the same meaning under these Procedures unless the context otherwise requires. The following terms have the meanings set out below.

**Approved Cash Centre Operator (ACCO)** means a party authorised by the RBA to operate a cash centre. Typically ACCOs will be armoured carriers, however, the RBA may also authorise banks and other companies to operate cash centres.

**Authorised Person** means in relation to an ACDES Framework Participant, each person specified by that Framework Participant to another ACDES Framework Participant with which it has entered into a Bilateral Agreement as being authorised to enter into Transactions and to sign Settlement Sheets and Standing Orders in relation to Transactions between it and that other ACDES Framework Participant.<sup>1</sup>

**Badly damaged/Incomplete Notes** means notes that have been tampered with or defaced or which are missing a portion. Badly damaged/Incomplete notes require assessment by the RBA to determine the value to be paid (as specified in the RBA Note Sorting Guidelines).<sup>2</sup>

**Cash Administration Area** means any department or any person within an ACDES Framework Participant responsible for Transactions as specified in Annexure E or as otherwise notified to ACDES Framework Participants.<sup>3</sup>

**Cash Discrepancy** means the difference between the number and denomination of Cash within a TEB as against that listed on the TEB. If more Cash is contained in the TEB than that listed on the TEB, there will be a “**positive Cash Discrepancy**”. If less Cash is contained in the TEB than that listed on the TEB, there will be a “**negative Cash Discrepancy**”.<sup>4</sup>

**Cash Ownership and Security Protocol** means the protocol which is set out in Annexure K.<sup>5</sup>

**Cash Rate** means the cash rate target as published in Table A2.1 of the Reserve Bank Bulletin or such other rate as may be published by the RBA in substitution for that cash rate target.

**Contaminated Notes** means notes that may have been infected or contaminated and are a public health risk or have been exposed to a substance that prevents direct handling.<sup>6</sup>

<sup>1</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>2</sup> Inserted effective 26/11/15, version 015 r&p 001.15

<sup>3</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>4</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>5</sup> Inserted effective 1/1/18, version 018 r&p 001.17

<sup>6</sup> Amended effective 26/11/15, version 015 r&p 001.15

**Contingency Procedures** means the Disruptive Event Guidelines and any other rules or guidelines formulated and approved by the Management Committee pursuant to Part 12 which may be applied following a Disruptive Event or some other contingency that materially disrupts or prevents the ability of an ACDES Framework Participant to participate in ACDES in accordance with the Regulations and these Procedures.<sup>7</sup>

**Counterfeit Notes** means notes resembling Australian currency notes but which are not printed by or for the RBA, and therefore are not legal tender.

**Cut-Off Time** means deadline for passing details to another party. For example, cut-offs apply to advising cash requirements, Settlements between ACDES Framework Participants and accounting between all parties.<sup>8</sup>

**Default** means the failure of a party to meet an agreed obligation.

**Disruptive Event** means an event of the kind described in section 5 of the Disruptive Event Guidelines.<sup>9</sup>

**Disruptive Event Advice or DEA** means a document, substantially in the form of Annexure H, used by any ACDES Framework Participant to advise other ACDES Framework Participants that a Disruptive Event has occurred.<sup>10</sup>

**Disruptive Event Guidelines** means the procedures set out in Annexure G.<sup>11</sup>

**ETA** means estimated time of arrival.

**Fit Notes** means notes deemed suitable for re-use (as specified in the RBA Note Sorting Guidelines). Also known as “Reissuable Notes”.<sup>12</sup>

**Intra Depot Transfer Summary Sheet** means the sheet, substantially in the form of that in Annexure I, to be prepared by each ACDES Framework Participant pursuant to Part 5.<sup>13</sup>

**Mint** means The Royal Australian Mint, Canberra.

**“Mutilated Notes”** [Deleted]<sup>14</sup>

**Mutilated Coins** means coins that have been tampered with or defaced or which are missing a portion. Mutilated coins require assessment by the Mint to determine the value to be paid.

**Note Strap** means a piece of paper used to bind bundles of notes.

<sup>7</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>8</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>9</sup> Inserted effective 4/10/04, version 005 r&p 003.04

<sup>10</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>11</sup> Inserted effective 4/10/04, version 005 r&p 003.04

<sup>12</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>13</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>14</sup> Deleted effective 26/11/15, version 015 r&p 001.15

**NBS** means National Banknote site.<sup>15</sup>

**Peak Period** means the period from the first Banking Business Day of December up to and including 15 Banking Business Days after Easter Monday.<sup>16</sup>

**RBA Note Sorting Guidelines** means the RBA's guidelines for the quality sorting of polymer notes as amended or replaced from time to time.

**Reissuable Coin** means coins deemed suitable for re-use.

**Rolled Coin** means coin provided that has been rolled into designated values.

**"Settlement Sheet"** [Deleted]<sup>17</sup>

**TED and TEB** means tamper evident device (or bag) used to pack notes or coin.

**Unfit Notes** means notes that are worn or dirtied to the extent that they are no longer suitable for handing to the public. Also known as "Soiled Notes" (as specified in the RBA Note Sorting Guidelines).

## 1.2 Interpretation

In these Procedures, except where the context requires otherwise:

- (a) a requirement to:
  - (i) give any information in writing (which, without limitation, includes making a claim or request or providing a Transaction File, Settlement Sheet, Standing Order, authority, notification or advice);<sup>18</sup>
  - (ii) retain a document; or
  - (iii) produce or deliver a document,

may be met by means of an electronic communication generated by a method which enables that information or the information contained in that document to be readily accessible so as to be useable for subsequent reference and which provides a reasonable means of assuring the integrity of that information or the information contained in that document, except to the extent the validity of that means of electronic communication is otherwise limited by any applicable law; and

<sup>15</sup> Amended effective 1/1/22, version 019 r&p 002.21

<sup>16</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>17</sup> Deleted effective 1/1/17, version 017 r&p 003.16

<sup>18</sup> Amended effective 1/1/17, version 017 r&p 003.16



- (b) a requirement for a signature of a person may be met in relation to an electronic communication if a method is used to identify that person and indicate that person's approval of the information communicated, provided that:
  - (i) the person to whom the signature is required to be given consents to the signature being given by way of that method; and
  - (ii) either:
    - (A) having regard to all the relevant circumstances at the time the method was used, the method was as reliable as reasonably appropriate for the purposes for which the information was communicated; or
    - (B) if the Management Committee has specified that such method be in accordance with particular information technology requirements (including whether hardware, software or otherwise), these requirements have been met.

### **1.3 Inconsistency with Articles and Regulations**

If a provision of these Procedures is inconsistent with a provision of the Articles, the provision of the Articles prevails.

If a provision of these Procedures is inconsistent with a provision of the Regulations, the provision of the Regulations prevails.

### **1.4 Governing Law**

These Procedures are to be interpreted in accordance with the same laws which govern interpretation of the Articles.

### **1.5 Copyright**

Copyright in these Procedures is vested in the Company.

**Next page is Part 2**

## **PART 2 PROCEDURAL RULES GOVERNING INTERBANK CASH EXCHANGE OPERATIONS**

### **2.1 Management Committee**

The Management Committee will develop procedures for the operation of ACDES.

### **2.2 ACDES Framework Participant Obligations<sup>19</sup>**

#### **2.2.1 *General***

- Framework Participant obligations are established to ensure the integrity of ACDES.<sup>20</sup>

#### **2.2.2 *Deal Specific***

- Cash must be made available for Delivery at the time and place specified in the Settlement Sheet or Standing Order in the quality and packages as set out in these Procedures.<sup>21</sup>

### **2.3 Dealing Limits**

It will be the responsibility of each ACDES Framework Participant to establish trading/dealing limits with counter-parties to cover intra-day Settlement risk for Transactions. These arrangements should be covered in the Bilateral Agreement.<sup>22</sup>

### **2.4 Transaction Limit**

There is no minimum or maximum limit for the quantity of Cash or value of Cash Pool Title which is the subject of a Transaction.<sup>23</sup>

### **2.5 Transaction Multiples**

A Transaction must be for an amount which is a multiple of the TEBs or coin bags applicable to the denomination/s of Cash specified in the Settlement Sheet.<sup>24</sup>

### **2.6 Review of Transaction Limits**

The transaction limit in Clause 2.4 and rules relating to transaction multiples in Clause 2.5 may be changed at any time by amendment of these Procedures in accordance with the Regulations.<sup>25</sup>

---

<sup>19</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>20</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>21</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>22</sup> Last amended effective 26/11/15, version 015 r&p 001.15

<sup>23</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>24</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>25</sup> Amended effective 26/11/15, version 015 r&p 001.15

## **2.7 Offer and Acceptance Procedures<sup>26</sup>**

### **2.7.1 Offer**

Subject to the terms of the applicable Bilateral Agreement, an ACDES Framework Participant may, at any time and in any reasonable manner, make an offer to buy or sell Cash or Cash Pool Title ("Offer").<sup>27</sup>

Such an Offer can be withdrawn at any time before the Offer is accepted in accordance with Clause 2.7.2.2.<sup>28</sup>

### **2.7.2 Acceptance of Offers and Entering into Legally Binding Transactions<sup>29</sup>**

2.7.2.1 A prospective Buyer and Seller that wish to enter into a legally binding Transaction (including an Emergency Buy or future dated Transaction) in respect of an Offer must exchange a document (electronic or otherwise) containing details of the prospective Transaction as set out in Clause 6.7.<sup>30</sup>

2.7.2.2 If the details of the prospective Transaction as recorded on the document exchanged by the prospective Buyer and Seller in accordance with Clause 2.7.2.1 match in every respect, then the Offer is deemed to have been accepted and the exchanged document is the Transaction File. A legally binding Transaction as recorded on the Transaction File arises between the Buyer and the Seller on the terms set out in the Bilateral Agreement between the Buyer and Seller.<sup>31</sup>

2.7.2.3 Once a Buyer and Seller have entered into a legally binding Transaction in accordance with Clause 2.7.2.2 they may continue to agree Transactions in accordance with clause 2.7.2.2 up until: <sup>32</sup>

- for Emergency Buys, 15:00 on the agreed settlement day; and
- for Standard Transactions, 16:00 on the day prior to the agreed settlement day.

2.7.2.4 If the details of the prospective Transaction as recorded in the document exchanged by the prospective Buyer and Seller in accordance with Clause 2.7.2.1 do not match in every respect or if either the prospective Buyer or the prospective Seller fails to exchange a document in accordance with Clause 2.7.2.1 then the Offer is deemed to have been withdrawn.<sup>33</sup>

### **2.7.3 Appointed Exchange Times for Interim Settlement Sheets [Deleted]<sup>34</sup>**

---

<sup>26</sup> Amended effective 1/6/16, version 016 r&p 001.16

<sup>27</sup> Last amended effective 26/11/15, version 015 r&p 001.15

<sup>28</sup> Amended effective 1/5/06, version 008 r&p 002.06

<sup>29</sup> Amended effective 1/5/06, version 008 r&p 002.06

<sup>30</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>31</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>32</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>33</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>34</sup> Deleted effective 1/1/17, version 017 r&p 003.16

**2.7.4      *Contract Notes [Deleted]*<sup>35</sup>**

**2.8          Offer and Acceptance Procedures for South Australia [Deleted]**<sup>36</sup>

**2.9          Cash Pool Movement Requests [Deleted]**<sup>37</sup>

**2.10        System Mechanics**

**2.10.1     Access**

- ACDES Framework Participants may trade Cash bilaterally outside ACDES.<sup>38</sup>
- Agreed means of access to Transactions may include the following media, however, the agreed documentation must be substantially in the form prescribed by the Regulations and these Procedures. The forms of acceptable access include:
  - facsimile;
  - email; and
  - electronic file.
- It is the responsibility of the trading parties to establish agreed authorisations and delegation levels to enter transactions bilaterally.

**2.10.2     Hours of Operation**

Hours of operation of ACDES will be limited only by the availability of parties actively trading. Technically ACDES may open 24 hours a day, 7 days a week. However, from a practical perspective ACDES will primarily operate between 10:00 and 17:00 Monday to Friday except where there is a public holiday in both Sydney and Melbourne, or as otherwise agreed between ACDES Framework Participants. Standard Transactions for Delivery on any given day must be entered into by 16:00 hours on the previous Banking Business Day. Emergency Transactions for delivery on any given day must be entered into by 15:00 hours on the Banking Business Day.<sup>39</sup>

---

<sup>35</sup> Deleted effective 1/1/17, version 017 r&p 003.16

<sup>36</sup> Deleted effective 1/6/16, version 016 r&p 001.16

<sup>37</sup> Deleted effective 26/11/15, version 015 r&p 001.15

<sup>38</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>39</sup> Last amended effective 26/11/15, version 015 r&p 001.15

## **2.11 Value Settlement**

### **2.11.1 Timings**

- Each ACDES Framework Participant must comply with the timeline for Transactions set out in Annexure B.<sup>40</sup>
- Settlement of all Transactions, other than Emergency Buys, must occur between 9:15 and 10:00 on the morning of Delivery of the Cash or Cash Pool Title.
- A Settlement Sheet must be forwarded to the counter-party for verification and the raising of liquidity overnight by 16:30 on the Banking Business Day prior to Settlement.<sup>41</sup>
- Settlement of Emergency Buys will be prior to 16:00 (Sydney/Melbourne time) cut-off on day of Delivery. Transactions must be finalised by the parties prior to 15:00 to meet this deadline.

### **2.11.2 Responsibility (Buyer)**

- Unless otherwise agreed between the ACDES Framework Participants, Buyers will have the responsibility of arranging the transportation for pick up of the purchased Cash and Delivery to the required depot location.<sup>42</sup>

### **2.11.3 Method (RITS)**

- Settlements will be posted via the 2E Stream of RITS to ensure the highest priority.
- Settlement on a net basis between ACDES Framework Participants will be made, however, a detailed Settlement Sheet showing the make-up of the net position will be provided to the relevant ACDES Framework Participant for verification, balancing etc.<sup>43</sup>
- The settlement process is summarised as follows:
  - ACDES Framework Participants prepare a Settlement Sheet for each counterparty listing all Transactions for the next Banking Business Day (except Emergency Transactions) and showing the overall net position.<sup>44</sup>

---

<sup>40</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>41</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>42</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>43</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>44</sup> Last amended effective 1/1/17, version 017 r&p 003.1614.2.05

- The Settlement Sheet is signed by at least one Authorised Signatory (or as stipulated on the Settlement Sheet) of the Issuing Party and emailed or faxed to each counterparty by no later than 16:30 on that Banking Business Day prior to the day when Settlement is due.<sup>45</sup>
- By 10:00 next Banking Business Day, Settlement must occur by payments via RITS.
- For Emergency Transactions, the process will be the same, except:<sup>46</sup>
  - The Settlement Sheet is faxed to the counterparty by no later than 15:15 on the Banking Business Day when Settlement is due.<sup>47</sup>
  - By 16:00 that afternoon, Settlement must occur by payments via RITS.
- Manual Settlement may be required by suitable form of payment to cover Emergency Buys by ACDES Framework Participants in States or Territories which are negatively impacted by time differences and who are unable to meet the agreed second Settlement Cut-Off Time at 16:00.<sup>48</sup>

## **2.12 Transaction Number<sup>49</sup>**

- Each Transaction is to be provided with a unique identifying number by both ACDES Framework Participants. This number will be the three letter financial institution code followed by a five number identifier.<sup>50</sup>
- The three letter financial institution codes are:<sup>51</sup>
  - (a) ANZ - Australia and New Zealand Banking Group Limited
  - (b) CBA - Commonwealth Bank of Australia
  - (c) NAB - National Australia Bank Limited
  - (d) WBC - Westpac Banking Corporation
- ACCO sites will be described using the three letter code followed by the site name (address). These codes are provided by the ACCO.<sup>52</sup>
- The three letter code for the armoured carrier ACCOs are:<sup>53</sup>

---

<sup>45</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>46</sup> Amended effective 14/2/05, version 006 r&p 001.05

<sup>47</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>48</sup> Last amended effective 1/1/23, version 020 r&p 002.22

<sup>49</sup> Amended effective 1/5/06, version 008 r&p 002.06

<sup>50</sup> Last amended effective 26/11/15, version 015 r&p 001.15

<sup>51</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>52</sup> Amended effective 14/2/05, version 006 r&p 001.05

<sup>53</sup> Amended effective 26/11/15, version 015 r&p 001.15

- (a) AGD – Armaguard<sup>54</sup>
- (b) BRK – Brinks
- (c) PSG – Prosegur
- (d) STR – Streamcorp Armoured
- (e) AUT – Authentic Security<sup>55</sup>

## **2.13 Liability for late Delivery**

### **2.13.1 *Interest payable for late delivery***<sup>56</sup>

Subject to clause 2.14 (“Non-acceptance”), if the Seller does not meet its Delivery obligations under a Transaction in the time that has been agreed to by the parties, then the Seller will be liable to pay the Buyer interest charged at the Cash Rate on the amount due for Settlement for each day between the agreed date of Delivery and when the Cash is actually delivered to the Buyer.<sup>57</sup>

### **2.13.2 *Notice of non-delivery***<sup>58</sup>

The Seller must:<sup>59</sup>

- (i) use its best endeavours to obtain Cash and fulfil its Delivery obligations under the Transaction; and
- (ii) give notice to the Buyer as early as possible if the Seller does not reasonably believe it will be able to meet its delivery obligations under a Transaction. If such notice is given prior to Settlement on the date of the Transaction, the Buyer has the right to terminate the Transaction, and the Seller is not liable to pay the interest referred to in clause 2.13.1.<sup>60</sup>

### **2.13.3 *Trade Cancellations***<sup>61</sup>

- If the Seller gives notice to the Buyer after Settlement has occurred, the Seller and Buyer must perform a No-intra trade to reverse the funds transferred at Settlement.

---

<sup>54</sup> Amended effective 1/1/22, version 019 r&p 002.21

<sup>55</sup> Inserted effective 15/9/2025, version 023 r&p 001.25

<sup>56</sup> Inserted effective 26/11/15, version 015 r&p 001.15

<sup>57</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>58</sup> Inserted effective 26/11/15, version 015 r&p 001.15

<sup>59</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>60</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>61</sup> Inserted effective 26/11/15, version 015 r&p 001.15

## **2.14 Non-acceptance**

- If the Buyer, its employee, contractor, or agent, refuses or delays delivery or acceptance of the Cash, the Cash may be stored as directed by the Seller or the Seller has the right to terminate the Transaction. The Buyer will bear the liability for any loss suffered and the cost of such storage.

## **2.15 Force majeure**

- An ACDES Framework Participant is not responsible for non-delivery or delay in Delivery or acceptance of Delivery of any Cash caused directly or indirectly by force majeure, including but not limited to war, threat of war, or warlike conditions, hostilities, civil commotion, riots, fire, flood, strikes, lock outs, accidental breakdown or mechanical failure of plant, machinery or equipment, delays in transportation, default on the part of the RBA, acts of government or any other cause beyond the Seller's reasonable control, notwithstanding that any such cause may be operative at the time of entering into the contract.<sup>62</sup>

## **2.16 Instructions for Completion of Standing Orders<sup>63</sup>**

Standing Orders and cancellation of Standing Orders must be completed in accordance with the following instructions.<sup>64</sup>

Date of Standing Order	Insert the date of the day when the Standing Order is agreed between the Seller and the Buyer. <sup>65</sup>
Standing Order Identifier	<p>A standing order identifier must be written on all Standing Orders, as follows:<sup>66</sup></p> <p>AAA-SO-xxxxxx</p> <p>Where:</p> <p>AAA represents the Seller's financial institution code; SO represents Standing Order; xxxxxx is a unique six digit number, assigned by the financial institution initiating the transaction.</p>
Date of cancellation	To cancel a Standing Order, enter the date of final delivery before the Standing Order ceases. Note that 14 days written notice is required to cancel a Standing Order and 28 days written notice is required to cancel a Standing Order falling within a Peak Period. <sup>67</sup>

---

<sup>62</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>63</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>64</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>65</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>66</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>67</sup> Inserted effective 14/2/05, version 006 r&p 001.05



**AUSTRALIAN CASH DISTRIBUTION AND EXCHANGE SYSTEM (CS5) PROCEDURES**  
**PART 2: PROCEDURAL RULES GOVERNING INTERBANK CASH EXCHANGE OPERATIONS**

Seller	Include the name, ABN/ARBN and address of the Seller as set out in the Bilateral Agreement entered into by the Seller and Buyer. <sup>68</sup>
Buyer	Include the name, ABN/ARBN and address of the Buyer as set out in the Bilateral Agreement entered into by the Seller and Buyer. <sup>69</sup>
Total Amount of Cash	Enter the total \$ face value of the cash included in the Transaction (eg. \$1,000,000). <sup>70</sup>
Value x Denominations	Enter the total \$ face value of each denomination of cash included in the Transaction (eg. \$50/\$500,000 and \$20/\$500,000).
Total Agreed Payment Price	Enter the \$ amount agreed by the Seller and the Buyer for the Transaction. This will generally be the \$ amount of the Total Amount of Cash plus/minus any premium/discount and/or fees.  The Total Agreed Payment Price is the \$ amount that the Seller and Buyer will settle for the Transaction.
Place of Delivery	Include details of the location where the Seller will have the cash available. This will generally be a 3 letter ACCO code followed by the Approved Cash Centre location (name of suburb or town). Refer ACDES Procedures 2.12. <sup>71</sup>
Date(s) of Delivery	Insert the day when each delivery of the Cash or Cash Pool Title is to be made (eg. the first Monday of every calendar month). <sup>72</sup>
Nature of Seller's Title	Indicate whether the Seller's title to the cash is Exclusive Title or Cash Pool Title.
	Emergency Buy ( <i>for Contract Notes only</i> ) [Deleted] <sup>73</sup>
Intra-Pool Transfer	Indicate whether the cash which is the subject of the Transaction is to be transferred within the same Cash Pool.  An Intra-Pool Transfer can only occur where the cash is held under Cash Pool Title, and where both the Seller and Buyer have arrangements to hold cash within the same Cash Pool.
Bilateral Agreement Date	Include the date of the Bilateral Agreement entered into by the Seller and the Buyer.

<sup>68</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>69</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>70</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>71</sup> Amended effective 1/6/16, version 016 r&p 001.16

<sup>72</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>73</sup> Deleted effective 1/1/17, version 017 r&p 003.16

Special conditions on Standing Order	Special conditions stated on a Standing Order may include specifying the date on which Cash is to be delivered if the date of delivery falls on a public holiday ie. the date of delivery may be moved to a date before or after the public holiday or remain on the public holiday. <sup>74</sup>
--------------------------------------	--

## **2.17 Cancellation of Standing Orders<sup>75</sup>**

A party wishing to cancel a Standing Order must complete section 2 of the original Standing Order form. The form must be signed by an Authorised Person, and sent to the counter party which previously executed the Standing Order. An Authorised Person from the counter party must then sign the Standing Order and return the form to the party initiating the cancellation as acknowledgment that the cancellation will proceed. Note that 14 days written notice is required to cancel a Standing Order and 28 days written notice is required to cancel a Standing Order falling within a Peak Period.<sup>76</sup>

**Next page is Part 3**

---

<sup>74</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>75</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>76</sup> Last amended effective 1/1/22, version 019 r&p 002.21

## PART 3 CASH QUALITY

### 3.1 Overview

The RBA Note Sorting Guidelines determine the quality of notes. Notes are defined as Fit, Unfit, Badly Damaged/Incomplete, Contaminated or Counterfeit and coin is defined as Reissuable, Mutilated, Bronze, Worn and Damaged, Counterfeit or Contaminated.<sup>77</sup>

All ACDES Framework Participants need to standardise their notes to adhere to the RBA Note Sorting Guidelines. The standardisation of notes and coin will ensure the quality of Cash is maintained throughout the industry.<sup>78</sup>

### 3.2 Notes

#### 3.2.1 *RBA Note Sorting Guidelines*

All ACDES Framework Participants must comply with the RBA Note Sorting Guidelines.<sup>79</sup>

#### 3.2.2 *Fit*

A note is a Fit Note if it is in good condition and able to be distributed to customers through all forms of distribution. The note must not be defective in any way. That is, it must not be torn, have ink on the note, be badly worn, be sticky taped, stapled or defaced and no part of it must be missing or have holes. If the note contains no defects it is considered fit and is a Fit Note that may be re-circulated for customer use.

#### 3.2.3 *Unfit*

A note is an Unfit Note if it has become worn or sustained minor damage and is not an Incomplete Banknote, Badly Damaged Banknote or Contaminated Banknote in accordance with the RBA Banknote Sorting Guide. An Unfit Note should not be re-issued to customers due to a defect it contains such as one or more of the following faults; the note is torn, the ink on the note is badly worn, the note contains any holes, the note has staples or sticky tape attached, any portion of the note is missing or the note is defaced.<sup>80</sup>

An Unfit Note must be returned, in accordance with the principles set out in Annexure J to the RBA for assessment of value and destruction.<sup>81</sup>

<sup>77</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>78</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>79</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>80</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>81</sup> Amended effective 26/11/15, version 015 r&p 001.15

### **3.2.4      *Badly Damaged/Incomplete***

A note is a Badly Damaged/Incomplete Note if it is damaged in any way not discussed in Clause 3.2.3. If the note has heat damage which prevents the security features being verified or affects 20 percent or more of the banknote or significant damage that casts doubt on its authenticity or value. Badly Damaged/Incomplete Notes must not be re-issued to customers and are to be returned to the RBA for assessment of value and destruction.<sup>82</sup>

### **3.2.5      *Contaminated***

A note is a Contaminated Note if it may have been infected or contaminated and is a health risk to the public, or have been exposed to a substance that prevents direct handling. At no time should Contaminated Notes be touched by staff. They should be presented in a sealed plastic bag or container with written details of the contaminant on the outside. Police or Corrective Services personnel normally present these notes to branches. As Contaminated Notes cannot be handled by staff, all claims must be sent to the RBA for verification and payment. Notes must be cleared as soon as possible to the RBA.<sup>83</sup>

### **3.2.6      *Counterfeit***

Counterfeit Notes located at a depot must be immediately separated from the Cash Pool holding and the ACDES Framework Participant's Cash Administration Area contacted.<sup>84</sup>

All counterfeit notes located must be reported to the Australian Federal Police - Currency Squad (AFP) on (03) 96077820.

## **3.3      *Coin***

### **3.3.1      *Reissuable***

A coin is a Reissuable Coin if it is in good condition and can be issued to customers. It is coin that has no defects that may be re-circulated for customer use.

### **3.3.2      *Mutilated***

A coin is Mutilated Coin if it is deemed by the Royal Australian Mint to be mutilated under its Worn and Damaged Circulating Coin Policy. A Mutilated Coin must not be re-issued to customers, it is required to be returned to the Royal Australian Mint for assessment of value and destruction.<sup>85</sup>

<sup>82</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>83</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>84</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>85</sup> Amended effective 26/11/15, version 015 r&p 001.15

### 3.3.3 ***Bronze***<sup>86</sup>

A coin is a Bronze Coin if it is an Australian 1 and 2 cent coin issued in accordance with the Currency Act 1965 (Cth). A Bronze Coin can be returned to the Royal Australian Mint for assessment of value and destruction.

### 3.3.4 ***Worn and Damaged***<sup>87</sup>

A coin is Worn and Damaged if it is a worn coin or is damaged as a result of normal use, or an accident. A Worn and Damaged Coin can be returned to the Royal Australian Mint for assessment of value and destruction.

### 3.3.5 ***Collector***<sup>88</sup>

A coin is a Collector Coin if it is a non-circulating coin intended for coin collectors and the souvenir/gift market rather than for the payment of goods or services. A Collector Coin can be returned to the Royal Australian Mint for assessment of value and destruction.

### 3.3.6 ***Counterfeit***<sup>89</sup>

A coin is a Counterfeit Coin if it is suspected of being a forged circulating Australian Coin. A Counterfeit Coin must not be re-issued to customers, it is required to be returned to the Royal Australian Mint for assessment of value and destruction.

### 3.3.7 ***Contaminated***<sup>90</sup>

A coin is a Contaminated Coin if it is a circulating Australian Coin which is unusually polluted or infected as a consequence of an accident or natural disaster (e.g. flood or fire) and would potentially cause risk to public health. A Contaminated Coin can be returned to the Royal Australian Mint for assessment of value and destruction.

**Next page is Part 4**

<sup>86</sup> Inserted effective 26/11/15, version 015 r&p 001.15

<sup>87</sup> Inserted effective 26/11/15, version 015 r&p 001.15

<sup>88</sup> Inserted effective 26/11/15, version 015 r&p 001.15

<sup>89</sup> Inserted effective 26/11/15, version 015 r&p 001.15

<sup>90</sup> Inserted effective 26/11/15, version 015 r&p 001.15

## PART 4 CASH PACKAGING

### 4.1 Notes

Notes must be contained as follows:<sup>91</sup>

- (a) in TEBs banded by Note Straps for each 100 notes, both of which identify the point of origin; and/or;<sup>92</sup>
- (b) 2,000 notes (exactly) loose in carton and contained in a TEB, which is stamped and clearly identifies the point of origin on the carton.<sup>93</sup>

The TEBs are available in three sizes (100 note, 500 and 2,000 note sizes) and are used for Fit Notes only. For Unfit Notes the ACCO may use a 2,000 note TEB.<sup>94</sup>

### 4.2 Fit Notes

Fit Notes may be transported and stored in the following ways:<sup>95</sup>

- (a) in TEBs, with all notes placed in either size TEB, bound by a note strap for every 100 notes. The note strap, as well as the TEB, must clearly identify the origin of packaging by the use of a financial institution branch or ACCO stamp, which records the address and site number (BSB) of the site; or <sup>96</sup>
- (b) loose in cartons, with 2,000 notes (exactly) in the carton and sealed in a TEB. The TEB must clearly identify the origin of packaging by the use of a financial institution branch or ACCO stamp, which records the address and site number (BSB) of the site.<sup>97</sup>

### 4.3 Other<sup>98</sup>

Notes must be sorted in terms of the RBA Note Sorting Guidelines.

#### 4.3.1 *Obsolete Denominations*

Financial institutions will only pay face value for decimal currency and the customer should be encouraged to take mint condition notes to a local note and coin dealer for inspection.

For pre-decimal currency a rate should be obtained from the RBA.

<sup>91</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>92</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>93</sup> Last amended effective 26/11/15, version 015 r&p 001.15

<sup>94</sup> Last amended effective 26/11/15, version 015 r&p 001.15

<sup>95</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>96</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>97</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>98</sup> Amended effective 1/1/22, version 019 r&p 002.21

## 4.4 Coin<sup>99</sup>

Coin can be delivered in bags of loose or wrapped denominations.

All coin must be maintained in standard industry coin bags. Each bag must have a coin bag tag attached to the strap as well as inside, providing details of the denomination and clearly identifying the origin of packaging by the use of a financial institution branch or ACCO stamp that records the address and site number (BSB) of the site.<sup>100</sup>

### 4.4.1 *Packaging Coin – Roll/Sachet Denominations*<sup>101</sup>

Rolled Coin/Sachet Coin is to be correctly packaged. The amount in each coin packaging is as follows:

Denomination	Amount per Wrap/Sachet	No. Wraps/Sachet per Bag	Amount per Bag
5c	\$2	50	\$100
10c	\$4	25	\$100
20c	\$4	25	\$100
50c	\$10	20	\$200
\$1	\$20	25	\$500
\$2	\$50	40	\$2,000

### 4.4.2 *Obsolete Denominations and Bronze Coin*<sup>102</sup>

Other than 1c and 2c Bronze Coin pieces, which should be cleared in lots of \$5, \$10 or \$25, ACDES Framework Participants will not negotiate on obsolete coins and customers are recommended to take obsolete coins to a note and coin dealer for valuation.

**The next page is Part 5**

<sup>99</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>100</sup> Amended effective 1/1/22, version 019 r&p 002.21

<sup>101</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>102</sup> Amended effective 26/11/15, version 015 r&p 001.15

## PART 5 CASH MOVEMENTS

### 5.1 Intra-Pool Transfer

An intra-pool transfer involves a change in ownership of Cash within a depot.<sup>103</sup>

#### 5.1.1 *Process*

After a Buyer and Seller have entered into a legally binding Transaction in accordance with Clause 2.7, the Seller is to instruct the ACCO, by authorised means identified between each ACDES Framework Participant and their ACCO (notification), to transfer value from themselves to the Buyer. The Buyer must advise their ACCO, by way of notification, of the Transaction.<sup>104</sup>

When the Transaction is an Intra-Pool Transfer, no physical cash needs to be moved. The Buyer and Seller's accounting and reporting systems are to be updated immediately with the information, upon matching the transaction numbers on the notifications received from both the Buyer and Seller of the Transaction.

When the Buyer's or Seller's Cash Pools are kept as physically separate individual institution owned pools, the Seller must instruct the ACCO to match the transaction numbers on the notifications received from both the Buyer and the Seller and:

- (a) physically transfer the Cash from the Seller's pool into the Buyer's pool, if the transaction numbers match; or
- (b) advise both parties immediately, if the transaction numbers do not match.

Framework Participants must match off Transactions and rectify any anomalies on the Settlement Sheets prior to notifying the ACCO of the Transactions. The details notified to the ACCO must match the details contained in the Settlement Sheet to ensure that the ACCO data is correct.<sup>105</sup>

The Buyer and the Seller must ensure that the ACCOs accounting and reporting system are kept up-to-date.

An Intra Depot Summary Sheet must be prepared for each ACCO. Standard and Emergency Transactions must be listed on separate sheets.<sup>106</sup>

The Intra Depot Transfer Summary Sheets must be forwarded to the ACCO:<sup>107</sup>

- (a) for Standard Transactions, by 06:00 hours on the Banking Business Day when value is to be transferred; and<sup>108</sup>

<sup>103</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>104</sup> Amended effective 1/6/16, version 016 r&p 001.16

<sup>105</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>106</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>107</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>108</sup> Inserted effective 14/2/05, version 006 r&p 001.05



- (b) for Emergency Buys, by 16:00 hours on the Banking Business Day when the Transaction is entered into.<sup>109</sup>

### 5.1.2 *Cost Allocation*

Cost allocation for Intra-Pool Transfers is to be determined between individual ACDES Framework Participants and their ACCO.<sup>110</sup>

### 5.1.3 *Cash Ownership and Security Protocol*<sup>111</sup>

The Framework Participants acknowledge that the Company, acting as agent for the Framework Participants, will administer the Cash Ownership and Security Protocol in accordance with its terms.

## 5.2 *Inter Depot*

An inter-depot transfer involves a change in ownership and a movement of Cash between depots.<sup>112</sup>

### 5.2.1 *Process*

After the Buyer and Seller have entered into a legally binding Transaction in accordance with Clause 2.7, the Buyer must instruct its ACCO to:<sup>113</sup>

- (a) transport the Cash from the Seller's ACCO depot to the Buyer's ACCO depot;<sup>114</sup>
- (b) upon receipt of the Cash from the Seller's depot, verify that the Cash received corresponds to the value stated on the notification received from the Buyer on a said to contain basis. If the Cash received does not correspond to the Buyer's notification, the Buyer's ACCO must accept the packed amount and settle the difference as a Cash Variation (see Part 7 - Cash Variations). Any associated costs will be borne by the party making the error; and<sup>115</sup>
- (c) update its accounting and reporting system.<sup>116</sup>

The Seller must instruct its ACCO to package the Cash for collection by the Buyer's ACCO, in accordance with Part 4 of the ACDES Procedures.<sup>117</sup>

<sup>109</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>110</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>111</sup> Inserted effective 1/1/18, version 018 r&p 001.17

<sup>112</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>113</sup> Amended effective 14/2/05, version 006 r&p 001.05

<sup>114</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>115</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>116</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>117</sup> Inserted effective 14/2/05, version 006 r&p 001.05

*Note:*<sup>118</sup>

**Notification** - The Buyer and Seller are only required to forward movement advices to their own ACCO. The advice should include details of the counterparty and ACCO.

**Notes** - A minimum of one Banking Business Day notice required for the movement of notes (air/road) to allow the ACCO to utilise the next day transport service.

**Coin** - A minimum of two\* Banking Business Days notice required for the movement of coin (by road) to allow the ACCO to plan transportation.

\* More notice may be required for some road transport, dependent upon depot of origination and depot of destination eg Sydney to Perth.

Framework Participants must ensure that ACCOs use existing industry standard for packaging (ie. TEBs for notes and standard industry bags for coin or as otherwise agreed from time to time between ACDES Framework Participants and the ACCOs).<sup>119</sup>

## 5.2.2 **Cost Allocation**

Buyer to meet transport costs for inter depot transfers.

## 5.3 **ACDES Framework Participant to ACDES Framework Participant Direct**<sup>120</sup>

### 5.3.1 **Process**

ACDES Framework Participants may choose to deal between different ACDES Framework Participant branches at a local level (eg. country Financial institution Branches). Settlement for those arrangements falls outside these processes.<sup>121</sup>

For those deals falling within ACDES, the following applies. After the Settlement Sheet or Standing Order has been agreed between the Buyer and Seller, the Seller must notify the Buyer's ACCO, by authorised means identified between each ACDES Framework Participant and their ACCO (notification), of the Transaction.<sup>122</sup>

<sup>118</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>119</sup> Last amended effective 1/1/22, version 019 r&p 002.21

<sup>120</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>121</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>122</sup> Last amended effective 1/1/17, version 017 r&p 003.16

The Buyer's Cash Administration Area must notify its ACCO, by way of notification, of the Transaction, instruct them to organise pick up details and advise the Buyer of ETA. The Cash Administration Area of the Seller must advise their branch of the details of the Buyer's ACCO and ETA. If recarry occurs between different ACDES Framework Participant branches, then value settlement would need to occur between parties (see Part 6).<sup>123</sup>

The Buyer must instruct its ACCO to verify that the Cash received upon collection from the Seller's branch is equal to the value on notification received from the Buyer, on a said to contain basis. The Buyer and the Seller must agree on a process to deal with situations where the Cash is not equal to the Buyer's notification (for example, request the ACCO to check the Seller's notification and if these amounts differ, the ACCO is to advise both the Buyer's and Seller's Cash Administration Area immediately for verification. The Buyer's ACCO must then transport the cash from the Seller's branch, to the Buyer's Branch as per the Buyer's instructions. Finally, the Buyer's ACCO must advise both the Seller's and Buyer's Cash Administration Area that the recarry has been completed).

Existing industry standard for packaging notes for clearance will apply (ie. green note bags/TEBs for notes and standard industry bags for coin with the appropriate documentation completed or as otherwise agreed from time to time between ACDES Framework Participants and the ACCOs).<sup>124</sup>

These recarries can occur either between same ACDES Framework Participant branches or different ACDES Framework Participant branches.<sup>125</sup>

### 5.3.2 ***Cost Allocation***

The Buyer must meet transport costs.

**The next page is Part 6**

<sup>123</sup> Last amended effective 26/11/15, version 015 r&p 001.15

<sup>124</sup> Last amended effective 1/1/22, version 019 r&p 002.21

<sup>125</sup> Amended effective 26/11/15, version 015 r&p 001.15

## PART 6 PAYMENT AND SETTLEMENT

### 6.1 Payment

Except as otherwise specified in this Part 6, each ACDES Framework Participant that is a party to a Transaction that is not the subject of alternative settlement arrangements pursuant to Regulation 10.1 must include the payment obligation arising from that Transaction in its daily Settlement Sheet.<sup>126</sup>

### 6.2 Settlement Sheet<sup>127</sup>

Each ACDES Framework Participant must prepare a separate Settlement Sheet for each other ACDES Framework Participant with which it has entered into Transactions. The Settlement Sheet (completed in accordance with clauses 2.11.3 and 6.7) must be sent to the other ACDES Framework Participant by 16:30 hours on the Banking Business Day prior to Settlement of those Standard Transactions.<sup>128</sup>

Each ACDES Framework Participant must prepare a separate Settlement Sheet for each other ACDES Framework Participant with which it has entered into Emergency Buys. The Settlement Sheet for Emergency Buys (completed in accordance with clauses 2.11.3 and 6.7) must be sent to the other ACDES Framework Participant by 15:15 hours on the Banking Business Day of Settlement of those Emergency Buys.<sup>129</sup>

### 6.3 Settlement

Each ACDES Framework Participant must Settle its net payment obligations as shown in the Settlement Sheet:<sup>130</sup>

- (a) by payment using the RBA's RITS/RTGS System, or if that system is unavailable for any reason, by alternative form of payment;<sup>131</sup>
- (b) in the case of Emergency Buys, in accordance with Clause 6.4 ("Manual settlement").

Subject to Clause 6.4, Settlement is to occur by:

- (a) for Standard Transactions, 10:00 hours on the Banking Business Day immediately following the Delivery of the relevant Settlement Sheet for Standard Transactions;<sup>132</sup>

<sup>126</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>127</sup> Amended effective 14/2/05, version 006 r&p 001.05

<sup>128</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>129</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>130</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>131</sup> Amended effective 1/1/23, version 020 r&p 002.22

<sup>132</sup> Amended effective 14/2/05, version 006 r&p 001.05

- (b) for Emergency Buys, 16:00 hours on the same Banking Business Day as Delivery of the relevant Settlement Sheet.<sup>133</sup>

Notwithstanding any other provision of the Articles, the Regulations or these Procedures, Settlement of obligations incurred as a result of the exchange of Cash between ACDES Framework Participants under these Procedures must be effected in accordance with all applicable laws.<sup>134</sup>

## 6.4 Manual Settlement

If it is necessary to complete a Transaction on a Banking Business Day after the Settlement Sheets have been prepared and sent, then ACDES Framework Participants can settle the payment obligations arising from that Transaction, by suitable form of payment at the time of Delivery. A Transaction that is settled in this way will not be included in the Settlement Sheets.<sup>135</sup>

## 6.5 Interest on non-payment

If Settlement is late or does not occur then the Buyer will pay compensation to the Seller at a rate equal to the amount of the payment obligation multiplied by the Cash Rate, or any other rate as agreed between the parties, for each day until Settlement is effected.

## 6.6 Mistaken payment

If an ACDES Framework Participant becomes aware of a Settlement payment pursuant to Part 6 of these Procedures made under mistake of fact or law which results in credit being made to the wrong person or for the wrong amount it must:<sup>136</sup>

- (a) notify ACDES Framework Participant to whom the payment should have been made or was made incorrectly or from whom it was received or should have been received (unless it was that ACDES Framework Participant who made it aware of the mistake);<sup>137</sup>
- (b) make a payment of the correct amount to the correct ACDES Framework Participant; and<sup>138</sup>
- (c) reverse the payment by the settlement procedures set out in this Procedure.

If the payment cannot be reversed then the Buyer will be liable to the Seller for the correct amount.

<sup>133</sup> Amended effective 14/2/05, version 006 r&p 001.05

<sup>134</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>135</sup> Last amended effective 1/1/23, version 020 r&p 002.22

<sup>136</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>137</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>138</sup> Amended effective 26/11/15, version 015 r&p 001.15

## **6.7 Instructions for Completion of Transaction File and Settlement Sheet<sup>139</sup>**

Transaction Files and Settlement Sheets must be completed in accordance with the following instructions.

	Interim/Final [Deleted] <sup>140</sup>
Normal/Emergency	Indicate whether the Transaction is a Normal Settlement OR an Emergency Settlement. <sup>141</sup>
Date of Confirmation	Insert the date of the day when the Transaction File is exchanged or Settlement Sheet is issued, as appropriate. <sup>142</sup>
Settlement/RITS Value Date	<p>Insert the date of the day when the RITS Settlement will be completed. This is the date when delivery of Cash or Cash Pool title will be completed.<sup>143</sup></p> <p>Separate Settlement Sheets must be prepared for each Settlement/RITS Value Date.</p>
Issuing Party	<p>Include the name of the ACDES Framework Participant issuing the Transaction File or Settlement Sheet (as appropriate).<sup>144</sup></p> <p>For Settlement Sheets include the RITS Code the issuing Party will use for the settlement transaction and the fax/phone numbers of the Issuing Party's Settlement Persons.</p> <p>The list of Settlement Persons and fax/phone numbers is included in the Bilateral Agreement entered into by the Issuing Party and the Counter Party.</p>
Counter Party	<p>Include the name of the ACDES Framework Participant to whom the Transaction File or Settlement Sheet is being sent.<sup>145</sup></p> <p>For Settlement Sheets include the RITS Code the Counter Party will use for the settlement transaction and the fax/phone numbers of the Counter Party's Settlement Persons.</p> <p>The list of Settlement Persons and fax/phone numbers is included in the Bilateral Agreement entered into by the Issuing Party and the Counter Party.</p>
Date of Transaction	Insert the date of the day when the Transaction is agreed between the Buyer and the Seller. <sup>146</sup>

<sup>139</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>140</sup> Deleted effective 1/1/17, version 017 r&p 003.16

<sup>141</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>142</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>143</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>144</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>145</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>146</sup> Inserted effective 1/5/06, version 008 r&p 002.06

**AUSTRALIAN CASH DISTRIBUTION AND EXCHANGE SYSTEM (CS5) PROCEDURES**

**PART 6: PAYMENT AND SETTLEMENT**

Buyer Transaction Code	Include the Transaction Code provided by the Buyer at the time the Transaction is agreed. This will be a 3 letter ACDES Framework Participant code followed by a 5 number identifier. Refer ACDES Procedures 2.12. <sup>147</sup>
Seller Transaction Code	<p>Include the Transaction Code provided by the Seller at the time the Transaction is agreed. This will be a 3 letter ACDES Framework Participant code followed by a 5 number identifier. Refer ACDES Procedures 2.12.<sup>148</sup></p> <p>When entering details of a prospective Transaction in a document in accordance with Clause 2.7.2.1 ACDES Framework Participants must enter their own Transaction Code (in the Seller or Buyer column as applicable) and enter the word "Prospective" in the column for their counterparty's Transaction Code, to indicate that a legally binding Transaction has not yet arisen.</p> <p>When the Transaction details in an exchanged document have been matched in accordance with Clause 2.7.2.2 ACDES Framework Participants must enter their own Transaction Code (in the Seller or Buyer column as applicable) and their counterparty's Transaction Code (in the Seller or Buyer column as applicable), which can be obtained from the document prepared by the counterparty in accordance with Clause 2.7.2.1, to indicate that a legally binding Transaction has arisen.</p>
Buys (Dr) \$	Enter the \$ amount of each Transaction where the Issuing Party is buying cash from the Counter Party.
Sellers (Cr) \$	Enter the \$ amount of each Transaction where the Issuing Party is selling cash to the Counter Party.
Denomination	Enter the denomination of the cash being bought or sold under the Transaction.
Location of Seller's Cash/Place of delivery	Include details of the location where the Seller will have the cash available. This will generally be a 3 letter ACCO code followed by the Approved Cash Centre location (name of suburb or town). Refer ACDES Procedures 2.12. <sup>149</sup>
Nature of Seller's title (Settlement Sheet only)	Indicate whether the Seller's title to the Cash is Exclusive Title or Cash Pool Title. <sup>150</sup>
Totals (Settlement Sheet only)	Separately total the \$ amounts of all the Buys and all the Sells. <sup>151</sup>
Special Conditions	Indicate any special conditions eg. notes to be delivered may not be faced or oriented. <sup>152</sup>
Net Settlement Amount (Settlement Sheet only)	Enter the \$ difference between the Total Buys and the Total Sells. <sup>153</sup>

<sup>147</sup> Last amended effective 26/11/15, version 015 r&p 001.15

<sup>148</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>149</sup> Amended effective 1/5/06, version 008 r&p 002.06

<sup>150</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>151</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>152</sup> Inserted effective 1/5/06, version 008 r&p 002.06

<sup>153</sup> Amended effective 1/1/17, version 017 r&p 003.16

Pay/Receive (Settlement Sheet only)	<p>Indicate whether the Issuing Party will pay OR receive the Net Settlement Amount.<sup>154</sup></p> <p>If the Issuing Party's Total Buys exceeds its Total Sells, the Issuing Party will PAY the Net Settlement Amount.</p> <p>If the Issuing Party's Total Sells exceeds its Total Buys, the Issuing Party will RECEIVE the Net Settlement Amount.</p>
Bilateral Agreement Date	<p>Include the date of the Bilateral Agreement entered into by the Seller and Buyer.<sup>155</sup></p>
Authorisation	<p>For a Transaction File, include the names of an Authorised Person for the Seller and an Authorised Person for the Buyer.</p> <p>On a Settlement Sheet, include the names and signatures of at least one Authorised Person for the Issuing Party.</p> <p>The list of Authorised Persons is included in the Bilateral Agreement entered into by the Issuing Party and the Counter Party.</p> <p>ACDES Framework Participants may bilaterally agree to exchange unsigned Settlement Sheets, in which case they will be deemed to be signed by at least one Authorised Person for the Seller.<sup>156</sup></p>

**The next page is Part 7**

<sup>154</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>155</sup> Inserted effective 1/5/06, version 008 r&p 002.06

<sup>156</sup> Last amended effective 1/1/17, version 017 r&p 003.16



## PART 7 CASH VARIATIONS

### 7.1 Overview

Cash variations can refer to Cash either purchased from or sold to any ACDES Framework Participant.<sup>157</sup>

### 7.2 Process

Upon receipt of a Delivery of Cash the Buyer is to complete a Bulk Check of the cash received.

The Bulk Check would include confirmation of the total value of Cash delivered by way of counting the total face value of TEBs delivered.<sup>158</sup>

The Buyer is to complete this Bulk Check by 4am on the next Banking Business Day after Delivery.<sup>159</sup>

### 7.3 Notification of Cash Variation

If a Buyer discovers there is a Cash Variation after completing the Bulk Check on the Cash delivered:

- (a) the Buyer should fax or email a claim for the Cash Variation to the Seller by the end of the next Banking Business Day using the Cash Variations/Discrepancies claim form at Annexure C;
- (b) the Seller should acknowledge receipt of the claim for the Cash Variation within 24 hours of receipt;
- (c) the Seller should respond within 72 hours of receipt of the claim for the Cash Variation; and
- (d) the claim for the Cash Variation should be resolved by the method agreed by the parties, within 5 Banking Business Days of receipt of the claim.

If the Buyer does not fax or email a claim for a Cash Variation within the time specified in this Clause, the resolution of the Cash Variation will:

- not be governed by these Procedures; and
- be subject to normal commercial and legal negotiations between the parties.

<sup>157</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>158</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>159</sup> Amended effective 14/2/05, version 006 r&p 001.05

## **7.4 Liability for Cash Variations**

No compensation is payable for Cash Variations that are detected and resolved within 5 Banking Business Days.

If a Cash Variation is not resolved within 5 Banking Business Days then:

- if it is a positive Cash Variation, the Buyer will be liable to pay interest at the Cash Rate to the Seller on the amount of the Cash Variation; and
- if it is a negative Cash Variation, the Seller will be liable to pay interest at the Cash Rate to the Buyer on the amount of the Cash Variation.

**The next page is Part 8**

## PART 8 CASH DISCREPANCIES<sup>160</sup>

### 8.1 Overview

ACDES Framework Participants typically use a tamper evident bag (TEB) to clear surplus Cash from their branches. A TEB will contain either 100 or 500 notes of the same denomination, never mixed. A similar arrangement is used for coins where coins of a particular denomination are packed in coin bags, and sealed with a tamper evident metal or plastic seal.<sup>161</sup>

### 8.2 Process

#### 8.2.1 *Identifying the Cash Discrepancy*

Upon opening a TEB each ACDES Framework Participant must complete a fine count of the Cash and ensure compliance with their own internal instructions and procedures in regard to cash handling.<sup>162</sup>

The ACDES Framework Participant buying the Cash is within their rights, subject to each ACDES Framework Participant's internal instruction and procedures, to complete that fine count when the Cash is required for use. There is to be no time limit or amount restriction on identification.<sup>163</sup>

A Cash Discrepancy is defined as the difference between the number and denomination of Cash within a TEB as against that listed on the TEB when received at a branch or Cash Point.<sup>164</sup>

#### 8.2.2 *Minimum Discrepancy Value*

In order to make a claim under Part 8 of these Procedures, a Cash Discrepancy must be greater than \$10 (which may be made up of notes or coins).

For a Cash Discrepancy of \$10 or less, the two affected Framework Participants may bilaterally agree to negotiate and settle the Cash Discrepancy. This would not be governed by the ACDES Regulations and Procedures.<sup>165</sup>

#### 8.2.3 *Making a Claim and Supporting Material*

For a Cash Discrepancy greater than \$10:

- (a) The ACDES Framework Participant that received the TEB may make a claim for the Cash Discrepancy to the ACDES Framework Participant that prepared the TEB by the end of the next Banking Business Day after the TEB is opened. Any claim should be made using the Cash Variations/Discrepancies Form set out in Annexure C1.

<sup>160</sup> Amended effective 1/3/07, version 009 r&p 001.07

<sup>161</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>162</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>163</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>164</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>165</sup> Last amended effective 26/11/15, version 015 r&p 001.15

Framework Participants may use their own proprietary form to make a claim provided the proprietary form contains the minimum required information set out in Annexure C2.<sup>166</sup>

- (b) The Framework Participant making the claim (that is, the Framework Participant that received the TEB) must provide the following supporting material to substantiate the claim:<sup>167</sup>
  - (i) for note discrepancies, the TEB and the relevant note straps if these were used. Receiving the note straps may assist the Framework Participant that prepared the TEB to identify who prepared the TEB and where the TEB was prepared.<sup>168</sup>
  - (ii) for coin discrepancies, the coin bag and coin bag seal.
- (c) The claim must be sent to the designated contact point nominated by the Framework Participant that prepared the TEB as specified in Annexure E2. The Framework Participant making the claim may fax or email the claim form in advance of providing the physical supporting material which must then be forwarded to the contact point of the institution that prepared the TEB by the most expeditious means available.<sup>169</sup>
- (d) The claim for the Cash Discrepancy should be resolved within 10 Banking Business Days of the receipt of the claim.

### 8.3 Value Settlement

The Cash Discrepancy may be a surplus (positive Cash Discrepancy) in which case the surplus would be returned to the Framework Participant that prepared the TEB. If the Cash Discrepancy is a deficit (negative Cash Discrepancy), the Framework Participant that received the TEB would be reimbursed for the shortage.<sup>170</sup>

Settlement of the Cash Discrepancy will be by direct credit to a designated account set up by each ACDES Framework Participant. The account for each ACDES Framework Participant is specified in Annexure E2 which shows the relevant name, BSB number and account number.<sup>171</sup>

For a positive Cash Discrepancy, the Framework Participant that received the TEB must send the surplus by direct credit to the Framework Participant that prepared the TEB at the same time as when it notifies the Framework Participant that prepared the TEB of the Cash Discrepancy.<sup>172</sup>

<sup>166</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>167</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>168</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>169</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>170</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>171</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>172</sup> Amended effective 26/11/15, version 015 r&p 001.15

For a negative Cash Discrepancy, the Framework Participant that prepared the TEB will send the shortfall by direct credit to the Framework Participant that received the TEB when it accepts the claim, such claim should be resolved within 10 Banking Business Days from the date it received the claim in accordance with clause 8.2.3(d) of the Procedures.<sup>173</sup>

The ACDES Framework Participant sending the direct credit payment must provide sufficient information in the direct credit message to enable the recipient to reconcile the payment with the claim. The Framework Participant sending the direct credit payment should also communicate with the recipient, by email, advising the recipient of details such as the amount and date of the payment and providing relevant information regarding the payment to facilitate reconciliation.<sup>174</sup>

*Note: Some Framework Participants currently use Financial Institution Cheques to effect settlement of Cash Discrepancy claims. Both parties can agree on a suitable form of payment to settle Cash Discrepancy claims.*<sup>175</sup>

## 8.4 An End-to-End Process Flow

A simplified process flow for a Cash Discrepancy claim is outlined below:<sup>176</sup>

Framework Participant receiving the TEB:

- discovers a Cash Discrepancy greater than \$10;
- checks the “escort database” to confirm details such as BSB number and amount;
- sends a claim (with the requisite supporting material) to the Framework Participant that prepared the TEB;
- (for a positive Cash Discrepancy), returns the surplus amount by direct credit to a designated account nominated by the Framework Participant that prepared the TEB as specified in Annexure E2, and separately, by email, notifies them of the details of the payment.

Framework Participant that prepared the TEB:<sup>177</sup>

- acknowledges receipt of the claim and checks details of the claim including the supporting material provided by the Framework Participant that received the TEB;
- accepts the claim;

<sup>173</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>174</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>175</sup> Last amended effective 1/1/23, version 020 r&p 002.22

<sup>176</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>177</sup> Amended effective 26/11/15, version 015 r&p 001.15

- (for a negative Cash Discrepancy), direct credits the designated account nominated by the Framework Participant that received the TEB as specified in Annexure E2, and separately, by email, notifies them of the details of the payment.

**The next page is Part 9**

## PART 9 AUDIT OF CASH CENTRES

### 9.1 Arrangements of Audits

If requested by two or more Framework Participants, the Company, acting as agent for each ACDES Framework Participant making the request, may, at its absolute discretion, arrange auditing of Cash in Cash Pools by an Auditor or Auditors at times and in the manner determined by the framework participants which participate in an Audit arranged by the Company ("ACDES Audit Committee").<sup>178</sup>

### 9.2 Participation in Audits

ACDES Framework Participants may choose whether they want to participate in Audits arranged by the Company.<sup>179</sup>

Each Framework Participant which participates in an Audit arranged by the Company must do all things reasonably necessary or desirable in the opinion of the ACDES Audit Committee to facilitate the Audit.<sup>180</sup>

### 9.3 Costs of Audit

The costs of any Audit arranged by the Company under Clause 9.1 will be shared between the ACDES Framework Participants taking part in the Audit, in the manner determined by the ACDES Audit Committee.<sup>181</sup>

### 9.4 Amendment of Audit Arrangements<sup>182</sup>

If Australian Payments Network Limited ("AusPayNet") has been or is requested, at any time on or after the Commencement Date to act as an agent for an ACDES Framework Participant pursuant to Clause 9.1 for the purpose of arranging auditing of Cash Pools, then AusPayNet is authorised by that ACDES Framework Participant to execute any document, or otherwise make any agreement, as that ACDES Framework Participant's agent that varies such auditing arrangement or establishes any new auditing arrangements with respect to Cash Pools, PROVIDED that any such variation or new auditing arrangement has been approved by the ACDES Audit Committee.<sup>183</sup>

<sup>178</sup> Last amended effective 19/2/24, version 022 r&p 001.24

<sup>179</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>180</sup> Last amended effective 19/2/24, version 022 r&p 001.24

<sup>181</sup> Last amended effective 19/2/24, version 022 r&p 001.24

<sup>182</sup> Inserted effective 15/12/03, version 004 r&p 003.03

<sup>183</sup> Last amended effective 19/2/24, version 022 r&p 001.24

## **9.5 Revocation of Agency Authority<sup>184</sup>**

Nothing in this Part 9 prevents any ACDES Framework Participant from revoking by written notice to AusPayNet any authority given to AusPayNet pursuant to this Part 9 for AusPayNet to act as that ACDES Framework Participant's agent in relation to auditing of Cash Pools.<sup>185</sup>

**The next page is Part 10**

---

<sup>184</sup> Inserted effective 15/12/03, version 004 r&p 003.03

<sup>185</sup> Amended effective 26/11/15, version 015 r&p 001.15



## PART 10 BILATERAL AGREEMENT

### 10.1 Entry into Bilateral Agreement

Each ACDES Framework Participant must enter into a Bilateral Agreement with each other ACDES Framework Participant before it enters into any Transactions with that ACDES Framework Participant.<sup>186</sup>

### 10.2 Content

Each Bilateral Agreement must contain provisions dealing with:

- (a) procedures for entering into Transactions, including:
  - (i) the form of Transaction File, Standing Order and Settlement Sheet;<sup>187</sup>
  - (ii) procedures for entering into Transaction Files, Standing Orders, Settlement Sheets and Emergency Buys;<sup>188</sup>
- (b) procedures for Delivery, including:
  - (i) Delivery method;
  - (ii) responsibility for Delivery;
  - (iii) places of Delivery;
  - (iv) times of Delivery;
- (c) procedures for Settlement of Transactions, including:<sup>189</sup>
  - (i) details of the personnel preparing, sending and receiving the Settlement Sheet;<sup>190</sup>
  - (ii) details of the Settlement account;
- (d) those matters contained in the Bilateral Agreement set out in Annexure A of these Procedures.

Subject to Clause 10.2, each ACDES Framework Participant may enter into a Bilateral Agreement under these Procedures on terms either identical to those terms set out in the Bilateral Agreement or which accord with the principles reflected in those terms set out in the Bilateral Agreement, as customised to reflect its arrangements with the other ACDES Framework Participant.<sup>191</sup>

<sup>186</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>187</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>188</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>189</sup> Amended effective 14/2/05, version 006 r&p 001.05

<sup>190</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>191</sup> Amended effective 26/11/15, version 015 r&p 001.15

Each ACDES Framework Participant must ensure that the customisation referred to in Clause 10.2 does not affect or derogate in any way from the legal effect of the terms incorporated in Clause 10.2.<sup>192</sup>

Each ACDES Framework Participant may include terms concerning ACDES in addition to the Bilateral Agreement in its agreements with other ACDES Framework Participants, and it must ensure that any such additional terms do not affect or derogate in any way from the legal effect of the Bilateral Agreement, the Regulations or the Procedures.<sup>193</sup>

**The next page is Part 11**

---

<sup>192</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>193</sup> Amended effective 26/11/15, version 015 r&p 001.15

---

## PART 11 OPERATIONAL CONTACT POINTS

### 11.1 Notification

Each ACDES Framework Participant must notify the Company in writing of the details of its general operational contact point for inclusion in Annexure F. The contact point details notified to the Company under this Clause 11.1 will be used by the Company to notify ACDES Framework Participants of general operational matters, including amendments to the ACDES Regulations and Procedures.<sup>194</sup>

### 11.2 Changes to contact details

Each ACDES Framework Participant must promptly notify the Company in writing of changes to its operational contact point details (not less than 5 Banking Business Days prior to such changes taking effect, clearly identifying the effective date in their advice) previously notified to the Company under this Part 11. Changes to contact point details notified to the Company under this Clause 11.2 will only take effect in accordance with an operational memorandum issued by the Company advising all ACDES Framework Participants of those changes.<sup>195</sup>

**The next page is Part 12**

---

<sup>194</sup> Last amended effective 26/11/15, version 015 r&p 001.15

<sup>195</sup> Last amended effective 26/11/15, version 015 r&p 001.15

## PART 12 CONTINGENCY ARRANGEMENTS<sup>196</sup>

### 12.1 Responsibilities

- 12.1.1 Subject to Clause 12.1.2 ACDES Framework Participants have a responsibility to each other and to ACDES as a whole to assist each ACDES Framework Participant that suffers a Disruptive Event or some other contingency that materially affects an ACDES Framework Participant's ability to participate in ACDES in accordance with the Regulations and these Procedures.<sup>197</sup>
- 12.1.2 No ACDES Framework Participant is required to render assistance to any other ACDES Framework Participant pursuant to clause 12.1.1 if to do so would, or potentially would, adversely affect its own ability to participate in ACDES or its proprietary commercial interests; provided that each ACDES Framework Participant must comply with Contingency Procedures which are specified as being mandatory.<sup>198</sup>

### 12.2 Contingency Procedures

- 12.2.1 The Management Committee may, to the extent to which it considers it necessary or desirable to do so formulate and approve Contingency Procedures. Contingency Procedures may be mandatory rules or non-mandatory guidelines.
- 12.2.2 Annexure G sets out guidelines which may be applied by an ACDES Framework Participant, in that ACDES Framework Participant's sole discretion, upon the occurrence of a Disruptive Event in relation to that Framework Participant. The Disruptive Event Guidelines are not mandatory.<sup>199</sup>
- 12.2.3 If the Company receives a Disruptive Event Advice from an ACDES Framework Participant, the Company may notify all ACDES Framework Participants of the particulars of the Disruptive Event described in that Disruptive Event Advice. Ordinarily such notification would be given by the Company by posting the Disruptive Event Advice in the appropriate place on the Company's Extranet. If the Company notifies ACDES Framework Participants of a Disruptive Event pursuant to this Clause 12.2.3, the Company is not responsible for the accuracy or completeness of any information in the Disruptive Event Advice provided by any ACDES Framework Participant.<sup>200</sup>

<sup>196</sup> Inserted effective 4/10/04, version 005 r&p 003.04

<sup>197</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>198</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>199</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>200</sup> Amended effective 26/11/15, version 015 r&p 001.15

- 12.2.4 If the Company receives a Disruptive Event Advice from an ACDES Framework Participant, the Company may, in its absolute discretion, invoke the Framework Participant Incident Plan, which is available on the Company's Extranet, either by written notice to, or verbally notifying, the Management Committee. The Framework Participant Incident Plan provides a framework for Management Committee communication and consultation during applicable contingency events.<sup>201</sup>

**The next page is Annexure A**

---

<sup>201</sup> Amended effective 26/11/15, version 015 r&p 001.15

## ANNEXURE A. BILATERAL AGREEMENT<sup>202</sup>

*(Schedule 3 is Confidential)*

# BILATERAL AGREEMENT

### NOTES ON USE:

*This agreement sets out the standard clauses for bilateral agreements entered into under ACDES for the buying and selling of Cash. It reflects principles that must be incorporated into bilateral arrangements between Framework Participants. Other clauses may be negotiated and added by Framework Participants provided they do not abrogate or derogate from the standard terms of this agreement, the Regulations or the Procedures.*

*ACDES Framework Participants may also enter into bilateral arrangements outside of ACDES, which need not incorporate these terms.*

### **Note:**

*This Notes on Use box should not be included in the Bilateral Agreement entered into between Framework Participants.*

<sup>202</sup> Last amended effective 1/1/17, version 017 r&p 003.16

# Bilateral Agreement

Date: .....

.....("Party A") and .....("Party B")

has or will enter into one or more transactions for buying or selling cash (each a **Transaction**) on the terms of this Bilateral Agreement.

## 1 About this agreement

### 1.1 Each party agrees that:

- (a) any Transaction entered into by the parties to this agreement prior to the date of this agreement forms part of this agreement;
- (b) each Transaction entered into by the parties to this agreement under this agreement and each Transaction File and Settlement Sheet forms part of this agreement;<sup>203</sup>
- (c) it will make each payment or delivery specified in each Settlement Sheet to be made by it;<sup>204</sup>
- (d) it is bound by the Regulations and the Procedures and it will not act contrary to them and nothing in this agreement will be interpreted in such a way as to abrogate from their respective rights and obligations in the Regulations and the Procedures;
- (e) it will comply with the Regulations and the Procedures;

- (f) any Settlement Sheet signed under this agreement forms part of this agreement; and<sup>205</sup>
- (g) each party may be either a Seller or a Buyer to a Transaction under this agreement.

## 2 Payment and delivery

- 2.1 The Buyer under a Transaction agrees to pay to the Seller under that Transaction the amount specified in the Transaction File, Settlement Sheet or Standing Order for that Transaction in accordance with the Regulations and the Procedures.<sup>206</sup>
- 2.2 The Seller under a Transaction agrees to Deliver to the Buyer under that Transaction the Cash specified in the Transaction File, Settlement Sheet or Standing Order for that Transaction and at such time, date and place as may be specified in that Transaction File, Settlement Sheet or Standing Order.<sup>207</sup>
- 2.3 The Settlement of payment obligations arising under this agreement must be effected in accordance with the Regulations and the Procedures.

<sup>203</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>204</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>205</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>206</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>207</sup> Last amended effective 1/1/17, version 017 r&p 003.16

### 3 Dealing limits

- 3.1 The parties may only enter into Transactions the aggregate amount of which for a particular day is within the dealing limits applicable to them, specified in Schedule 1 unless agreed otherwise in respect of any particular day.
- 3.2 The parties may agree to amend the dealing limits specified in Schedule 1 by written agreement.
- 3.3 Any such variation to the dealing limit will take effect from the date of the agreement to vary that dealing limit or such other date as may be specified in that agreement.
- 3.4 For the purposes of clarification the parties confirm that the dealing limits provided for in this clause 3 and Schedule 1 are not intended to constitute binding commitment on either party to enter into Transactions.<sup>208</sup>

### 4 Settlement Sheets<sup>209</sup>

- 4.1 The Settlement Person is responsible for preparing and sending the Settlement Sheet to the other party's Settlement Person in accordance with the Regulations and the Procedures.<sup>210</sup>
- 4.2 A party may change its Settlement Person by notice in writing to the other party.
- 4.3 Any change to the Settlement Person under clause 4.2 will take effect from the time of receipt of the notice by the other party.

### 5 Transaction Files, Standing Orders and Settlement Sheets<sup>211</sup>

- 5.1 Any Transaction File, Settlement Sheet or Standing Order that is entered into under this agreement will be subject to the terms

set out in this agreement and the Regulations and the Procedures.<sup>212</sup>

- 5.2 To the extent of any inconsistency between the terms of a Transaction File, Settlement Sheet or Standing Order and this agreement, the terms of that Transaction File, Settlement Sheet or Standing Order will prevail.<sup>213</sup>
- 5.3 To the extent of any inconsistency between the terms of a Transaction File, Settlement Sheet or Standing Order and the Regulations and the Procedures, the terms of the Regulations and the Procedures will prevail.<sup>214</sup>
- 5.4 The parties are legally bound by the terms of each Transaction from the moment they agree to those terms (whether orally or otherwise). A Transaction File, Settlement Sheet or Standing Order for that Transaction will be entered into as soon as practicable and may be executed and delivered in counterparts (including by facsimile transmission) or be created by an exchange of telexes or by an exchange of electronic messages on an electronic messaging system.<sup>215</sup>

*A Transaction File must be exchanged and a Settlement Sheet must be completed for each Transaction as evidence of the particular terms of that Transaction (eg. price, time, delivery).<sup>216</sup>*

- 5.5 Each Transaction File and Each Settlement Sheet:<sup>217</sup>
  - (a) must contain terms substantially in the form set out in the Procedures; and<sup>218</sup>
  - (b) may incorporate any additional terms agreed between the parties, if such

<sup>208</sup> Amended effective 14/2/05, version 006 r&p 001.05

<sup>209</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>210</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>211</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>212</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>213</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>214</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>215</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>216</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>217</sup> Amended effective 1/1/17, version 017 r&p 003.16

<sup>218</sup> Amended effective 1/1/17, version 017 r&p 003.16



terms are consistent with this agreement and the Regulations and the Procedures and do not affect or derogate in any way from the legal effect of this agreement and the Regulations and the Procedures.<sup>219</sup>

*A Standing Order may be issued as an alternative to using a Transaction File or a Settlement Sheet. A Standing Order is used in circumstances where parties want to enter into a series of Transactions for a set amount, at set times over a period of time on the same terms.*<sup>220</sup>

5.6 Each Standing Order:

- (a) must contain terms substantially in the form set out in Schedule 3; and
- (b) may incorporate any additional terms agreed between the parties, if such terms are consistent with this agreement and the Regulations and the Procedures and do not affect or derogate in any way from the legal effect of this agreement and the Regulations and the Procedures.

## 6 Cancellation of Standing Orders

6.1 Either party to a Standing Order may cancel that Standing Order at any time by:

- (a) 14 days' written notice to the other party;<sup>221</sup>
- (b) 28 days' written notice to the other party during Peak Period; or<sup>222</sup>
- (c) Any method of cancellation agreed between the parties in the Standing Order.<sup>223</sup>

6.2 [Deleted]<sup>224</sup>

6.3 A cancellation will not affect any right or liability under the Standing Order which:

- (a) accrues prior to the time of cancellation; or
- (b) otherwise relates to or may arise at any future time from any breach of the Standing Order which occurred prior to, on or after the date of cancellation.

## 7 Authorised persons

7.1 The persons listed in Schedule 1 are severally authorised under this agreement to enter Transactions, to sign Settlement Sheets and sign and cancel Standing Orders for the party indicated in that Schedule which will bind that party under this agreement ("Authorised Persons").<sup>225</sup>

7.2 The Authorised Persons will severally act as contact points for any Transactions entered into under this agreement.

7.3 A party may change its Authorised Persons by notice in writing to the other party.

7.4 Any change to the Authorised Persons under clause 7.3 will take effect from the date of receipt of the notice by the other party.

7.5 A change of Authorised Persons will not affect any right or liability under a Transaction made as a consequence of an act of an Authorised Person which accrues prior to the date that change takes effect.

## 8 Representations and warranties

8.1 Each party represents and warrants to the other party that:

- (a) all Cash and Cash Pool Title held by it are free from Encumbrances;
- (b) (if the Transaction File or Settlement Sheet for a Transaction states it is the party selling Cash in which it holds Exclusive Title) it is the legal and

<sup>219</sup> Inserted effective 1/5/06, version 008 r&p 002.06

<sup>220</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>221</sup> Amended effective 14/2/05, version 006 r&p 001.05

<sup>222</sup> Inserted effective 14/2/05, version 006 r&p 001.05

<sup>223</sup> Amended effective 14/2/05, version 006 r&p 001.05

<sup>224</sup> Deleted effective 2/10/02, version 002 r&p 002.02

<sup>225</sup> Last amended effective 1/1/17, version 017 r&p 003.16

- beneficial owner of and has good title to all Cash sold by it under the Transaction;<sup>226</sup>
- (c) (if the Transaction File or Settlement Sheet for a Transaction states that it is the party selling Cash in respect of which it presently holds Cash Pool Title and the Transaction is not an Intra-Pool Transfer) it is the legal and beneficial owner of and has good title to the Cash Pool Title which is described in the Transaction File or Settlement Sheet and it is able to deliver Exclusive Title to the Cash described in the Transaction File or Settlement Sheet at the time and in the manner specified under the Transaction File or Settlement Sheet;<sup>227</sup>
- (d) (if the Transaction File or Settlement Sheet for a Transaction states that it is the party selling Cash Pool Title and the Transaction is an Intra-Pool Transfer) it is the legal and beneficial owner of and has good title to the Cash Pool Title which is described in the Transaction File or Settlement Sheet and it is able to deliver beneficial ownership and good title to the Cash Pool Title described in the Transaction File or Settlement Sheet at the time and in the manner specified under the Transaction File or Settlement Sheet ;<sup>228</sup>it
- (e) it is duly constituted and validly existing under the laws of the jurisdiction of its incorporation;
- (f) execution, delivery and performance under this agreement does not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or agency of government applicable to it or any of its assets or
- any contractual restriction binding or affecting it or any of its assets;
- (g) its obligations under this agreement, the Regulations and the Procedures are valid and binding and are enforceable against it in accordance with their terms;
- (h) it does not enter into the Transaction as a trustee; and
- (i) it has all necessary power and authority to enter into this agreement and to perform its obligations under it.
- 8.2 Each of the representations and warranties in 8.1 are deemed to be repeated by each party on each date on which a Transaction is entered into.
- ## 9 Emergency Buys
- 9.1 The parties may enter into Emergency Buys under this agreement, in accordance with the Regulations and the Procedures.
- 9.2 The fact that a Transaction is an Emergency Buy will be stated in the Transaction File or Settlement Sheet for that Emergency Buy.<sup>229</sup>
- ## 10 Indemnity
- 10.1 Each party agrees to indemnify and hold the other party and its employees and agents harmless against any and all losses, expenses, claims, suits, demands, actions and proceedings including all reasonable legal and other related fees or charges which the other party may suffer or incur or for which the other party may become liable as a result of:
- (a) any negligence, misrepresentation, omission or fraud on the part of a party, its employees and agents with respect to the performance of a

<sup>226</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>227</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>228</sup> Last amended effective 1/1/17, version 017 r&p 003.16

<sup>229</sup> Last amended effective 1/1/17, version 017 r&p 003.16

party's obligations under this agreement;

interest in the Cash or its Cash Pool Interest.

- (b) the failure of a party to observe any of its obligations under this agreement, the Regulations, the Procedures or any applicable law;

except to the extent that the other party is at fault because of any act, omission, matter or thing mentioned in clause 10.1 (a) and (b).

10.2 If a claim is made against a party and for which the indemnity in clause 10.1 might apply, that party agrees to:

- (a) give notice of any such claim to the other party;
- (b) consult with the other party in relation to any such claim and to use its best endeavours to appoint counsel acceptable to both parties but without an obligation to do so; and
- (c) not to settle any claim without obtaining the prior written consent of the other party, such consent not to be unreasonably withheld.

10.3 The indemnities in this agreement are continuing obligations, independent of any other obligations under this agreement. They continue even after this agreement is terminated. It is not necessary for a party to incur any expense or make any payment before enforcing a right of indemnity conferred by this agreement.

## 11 Insurance

11.1 Each party must ensure that it maintains or obtains the benefit of insurance against:

- (a) loss or damage to its Cash or Cash Pool Interest caused by fire, theft or accident for no less than the par value of the Cash or Cash Pool Interest; and
- (b) any other risk as the party may direct to protect, directly or indirectly, its

## 12 Fees and charges

12.1 Each party must pay the other party the fees specified in Schedule 1. Those fees may be varied by the party imposing the fee or charge by giving prior written notice to the other party.

12.2 The Buyer must pay or reimburse the other party for all stamp duties, debit tax and any other government charges incurred or payable in the performance of obligations under this agreement.

12.3 All payments and other consideration paid or payable under this agreement are exclusive of any GST payable under the GST Law.

12.4 Unless otherwise agreed, if GST is imposed on any supply under this agreement, the Buyer must pay, in addition to any consideration payable or to be provided by the Buyer under this agreement for the supply, an additional amount calculated by multiplying the prevailing GST rate by the consideration for the relevant supply payable, or to be provided by the buyer under any other provision of this agreement. The additional consideration is payable at the same time and in the same manner as the consideration to which it relates.

12.5 The supplier will provide to the recipient a tax invoice which separately identifies the GST, contemporaneous with the payment.

12.6 If, as a result of a determination by the Commissioner of Taxation, the amount of GST paid or payable on any supply made under this agreement differs for any reason from the amount of GST recovered or recoverable from the recipient of the supply, including where the price for the supply is inclusive of GST and it is subsequently determined that the supply is not subject to GST, then the amount of GST recovered or recoverable from the recipient shall be adjusted accordingly.

12.7 If the adjustment required under clause 12.6 results in the payment of an additional amount by the recipient, then this amount shall be paid to the supplier within 14 days of the recipient receiving the Commissioner of Taxation's determination. If the adjustment required results in a refund of the GST previously recovered, the refund shall be made to the recipient within 14 days after the Commissioner of Taxation refunds that GST to the supplier.

12.8 Where the amount of GST recovered or recoverable from the recipient is adjusted pursuant to clause 12.6 and this gives rise to an Adjustment from an Adjustment Event, the party making the supply must provide an Adjustment Note to the recipient.

### 13 Termination

13.1 This agreement will terminate if:

- (a) subject to clause 13.1(b), a party fails to comply with or perform any agreement or obligation to be complied with or performed by that party under this agreement if such failure is not remedied on or before 5 Banking Business Days after notice in writing of such failure is given to the party;
- (b) a party fails to comply with or perform any agreement or obligation to be complied with or performed in relation to Delivery or Settlement under a Transaction if such failure is not remedied on or before 1 Banking Business Day after notice in writing of such failure is given by the other party to that party;
- (c) the other party, elects to terminate or rescind this agreement by 20 Banking Business Days notice in writing to that party;
- (d) either party ceases to be an ACDES Framework Participant, or has its

membership terminated or suspended; or<sup>230</sup>

- (e) a representation made or repeated or deemed to have been made or repeated by a party proves to have been incorrect or misleading in any material respect and the other party gives notice that it intends to terminate on the date given in that notice.

13.2 Any such termination will not effect any right or liability under a Transaction made under this agreement which:

- (a) accrues prior to the time of termination; or
- (b) otherwise relates to or may arise at any future time from any breach of this agreement which occurred prior to, on or after the date of termination.

### 14 General

#### Notices and other communication

14.1 Notices, certificates, consents, approvals and other communications in connection with this agreement must be in writing (other than, for the avoidance of doubt, any agreement referred to in clause 3.1). Communications from a party must be signed by a director or another person that party approves.

14.2 They may be:

- (a) given personally; or
- (b) left at the address last notified; or
- (c) sent by prepaid post to the address last notified; or
- (d) sent by fax to the fax number last notified; or
- (e) given in any other way permitted by law.

<sup>230</sup> Amended effective 26/11/15, version 015 r&p 001.15

14.3 They take effect from the time they are received unless a later time is specified in them.

14.4 If they are sent by post, they are taken to be received three days after the date of posting.

14.5 If they are sent by a fax machine that produces a transmission report, they are taken to be received at the time shown in a transmission report that indicates that the whole fax was sent.

#### **Prompt performance**

14.6 If this agreement specifies when a party must perform an obligation, it must perform it by the time specified. It must perform all other obligations promptly.

#### **Assignment of rights**

14.7 Neither party may assign all or any of its rights under this agreement without the written consent of the other party.

#### **Exercise of rights**

14.8 If a party does not exercise a right or remedy fully or at a given time, it can still exercise it later.

14.9 All rights and remedies under this agreement:

- (a) are in addition to other rights and remedies given by law independently of this agreement; and
- (b) may be exercised even if this involves a conflict of duty or the party has a personal interest in their exercise.

#### **Obligations and rights are unaffected**

14.10 Rights given to a party under this agreement and liabilities imposed under it are not affected by anything that might otherwise affect them at law.

#### **Reinstatement of rights**

14.11 Under law relating to insolvency a person may claim that a transaction (including a

payment) in connection with any amount owed to it is void or voidable. If a claim is made and upheld, conceded or compromised, then that party is immediately entitled, as against the other party, to the rights in respect of the amount the other party owes it to which it was entitled immediately before the transaction.

#### **Variation and waiver**

14.12 A provision of this agreement, or right created under it, may not be waived except in writing signed by the party or parties to be bound.

14.13 A party may vary any provision of this agreement as it chooses. If it does, it must notify the other party and the change takes effect from the time specified in the notice.

#### **Inconsistent law**

14.14 To the extent permitted by law, this agreement prevails to the extent it is inconsistent with any law.

#### **Applicable law and serving documents**

14.15 This agreement is governed by the law of the New South Wales. Each party submits to the non-exclusive jurisdiction of the courts of that place.

14.16 A party may serve any document in a court action (including a writ of summons, other originating process or third or other party notice) on the other party by delivering it to, or leaving it at, the other party's address set out in the details or such other address as the parties agree at any time. This clause does not prevent any other method of service.

#### **Counterparts**

14.17 This agreement may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.

## 15 Definitions and interpretation

15.1 Terms defined and interpreted in the Regulations or the Procedures bear the same meaning in this agreement. If there is any inconsistency between a term defined in the Regulations and a term defined in the Procedures, the meaning of that term given in the Regulations prevails. The following terms have the meanings set out below.

**Adjustment** has the same meaning as in the A New Tax System (Goods and Services Tax) Act 1999.

**Adjustment Event** has the same meaning as in the A New Tax System (Goods and Services Tax) Act 1999.

**Adjustment Note** has the same meaning as in the A New Tax System (Goods and Services Tax) Act 1999.

**Encumbrance** means any:

- (a) security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention arrangement;
- (b) right of set-off, assignment of income, garnishee order or monetary claim;
- (c) notice or direction under section 218 or 255 of the Income tax Assessment Act 1936 (Cth) or under section 74 of the Sales Tax Assessment Act 1992(Cth) or under section 260-5 of the Taxation Administration Act 1953 (Cth) or under any provision of law which has a similar effect; or

(d) equity, interest or writ of execution,

or any agreement to create them or allow them to exist.

**GST** has the same meaning as in the A New Tax System (Goods and Services Tax) Act 1999.

**Procedures** means the procedures (including, without limitation, the Appendices to those procedures) entitled "Procedures for Australian Cash Distribution and Exchange System" containing operational procedures, specifications, checklists or guidelines adopted by the Management Committee under Part 12 of the Regulations, as in force from time to time. A reference to a particular Procedure has a corresponding meaning.

**Regulations** means the regulations (including, without limitation, the Appendices to those regulations) entitled "Regulations for Australian Cash Distribution and Exchange System" for the participation by ACDES Framework Participants in ACDES, as in force from time to time. A reference to a Regulation has a corresponding meaning.<sup>231</sup>

**Settlement Person** means the person specified as such in Schedule 1.

15.2 Regulation 1.2 applies to the interpretation of this agreement as though references in those Regulations to "Regulations" or to "Procedures" (or both) are to this agreement or clauses of this agreement, as the context may require.<sup>232</sup>

**The next page is 55**

<sup>231</sup> Amended effective 26/11/15, version 015 r&p 001.15

<sup>232</sup> Amended effective 26/11/15, version 015 r&p 001.15

## Signing

### Date of this agreement:

**EXECUTED** by **[Party A]** in )  
accordance with section 127(1) of )  
the Corporations Law by authority of )  
its directors: )  
) )  
) Signature of director/company )  
) secretary\* )  
Signature of director ) \*delete whichever is not applicable )  
) )  
) )  
Name of director (block letters) ) Name of director/company )  
) secretary\* (block letters) )  
) \*delete whichever is not applicable )

### OR

**SIGNED** by **[ATTORNEY FOR )  
PARTY A]** as attorney for **[PARTY )  
A]** under power of attorney dated )  
[DATE] in the presence of: )  
) )  
) )  
Signature of witness ) )  
) )  
) )  
Name of witness (block letters) ) By executing this agreement the )  
) attorney states that the attorney has )  
) received no notice of revocation of )  
) the power of attorney )

**EXECUTED** by **[Party B]** in )  
accordance with section 127(1) of )  
the Corporations Law by authority of )  
its directors: )  
) )  
) Signature of director/company )  
) secretary\* )  
Signature of director ) \*delete whichever is not applicable )  
) )  
) )  
Name of director (block letters) ) Name of director/company )  
) secretary\* (block letters) )  
) \*delete whichever is not applicable )

### OR

SIGNED by [ATTORNEY FOR )  
 PARTY B] as attorney for [PARTY )  
 B] under power of attorney dated )  
 [DATE] in the presence of: )

..... )  
 Signature of witness )

..... )  
 Name of witness (block letters) )

.....  
 By executing this agreement the  
 attorney states that the attorney has  
 received no notice of revocation of  
 the power of attorney

**The next page is Schedule 1 – Details**



## Schedule 1 - Details

---

### 1 Authorised Persons

Each party agrees that the person/s listed below will act as Authorised Persons under this agreement:

#### [PARTY A]

Authorised Person: .....

Specimen Signature: .....

Address: .....

Phone: .....

Fax: .....

Email: .....

*[Repeat as required]*

#### [PARTY B]

Authorised Person: .....

Specimen Signature: .....

Address: .....

Phone: .....

Fax: .....

Email: .....

*[Repeat as required]*

## 2 Settlement Persons

Each party agrees that the person listed below will act as Settlement Person under this agreement:

### [PARTY A]

Settlement Person: .....

Specimen Signature: .....

Address: .....

Phone: .....

Fax: .....

Email: .....

*[Repeat as required]*

### [PARTY B]

Settlement Person: .....

Specimen Signature: .....

Address: .....

Phone: .....

Fax: .....

Email: .....

*[Repeat as required]*

## 3 Fees and charges

The Buyer agrees to pay the Seller the following fees and charges:

(a) [specify any fees or charges to be imposed]

## 4 Dealing limits

Party A as Seller to Party B	.....
as Buyer from Party B	.....
Party B as Seller to Party A	.....
as Buyer from Party A	.....

*Schedule 3 "Standing Order" is Confidential*

---

**Schedule 2 – Contract note *(Confidential)* [Deleted]<sup>233</sup>**

---

---

<sup>233</sup> Deleted effective 1/1/17, version 017 r&p 003.16

---

**Schedule 3 - Standing Order** *(Confidential)*<sup>234</sup>

---

**The next page is Annexure B**

---

<sup>235</sup> Inserted effective 14/2/05, version 006 r&p 001.05

---

## ANNEXURE B. TIMELINE

*(Confidential)*

Timeline - Cash Exchange



## ANNEXURE C. CASH VARIATIONS/DISCREPANCIES

### C.1 Cash Variations/Discrepancies

*(Confidential)*



## C.2 Minimum required information to be included in Proprietary Cash Discrepancy Claim Form<sup>239</sup>

### Claim addressed to:

*[the designated contact nominated by the ACDES Framework Participant]*

#### Address details:

*(Minimum information)*

*Designated contact point*

*Street address*

*Phone number*

*Facsimile number*

*(generic) e-mail address*

*(Additional information determined by each ACDES Framework Participant)*

*BSB Number (for example)*

### Claim originated from:

*[the designated contact nominated by the ACDES Framework Participant]*

#### Address details:

*(Minimum information)*

*Designated contact point*

*Street address*

*Phone number*

*Facsimile number*

*(Additional information to be determined by each ACDES Framework Participant)*

*Name of the person sending the claim*

*BSB Number (for example)*

*Cost Centre number if appropriate*

**Date** *(may be shown below under signatures)*

**Reference number** *for this claim*

*(used later to match up with settlement by direct credit)*

### Details of the claim

*The body of the claim form needs to say:*

- *A sealed note/coin bag, said to contain [\$ ..... ] in [denomination]*
- *Was received on [date]*
- *Under dual control by [names of the two officers]*
- *The note/coin TEB was **checked, no evidence of tampering** was found*
- *Unopened TEB was kept **under dual control prior to verification***
- *TEB was opened and the contents **bulk verified** under dual control*
- *Value of the consignment verified by fine count on [date] [time]*
- *By [names of the two officers]*
- *A **discrepancy** was found.*
- *The value of the **surplus** or **shortage** was [\$ .....]*
- *The discrepancy was **confirmed by a second count.***

### Evidence supplied with the claim (mandatory)

- *Tamper Evident Bag (plus note strap where available) (for notes)*
- *Coin tag and coin bag seal (for coins)*

**Signed** *by two officers*

**Countersigned** *by Branch Manager*

**Date** *of the claim*

**The next page is Annexure D**

<sup>239</sup> Amended effective 26/11/15, version 015 r&p 001.15

---

**ANNEXURE D. SETTLEMENT SHEET<sup>240</sup>**

**(Confidential)**

---

## ANNEXURE E. CASH ADMINISTRATION AND DISCREPANCIES CONTACT POINTS

### E.1 Cash Administration Area Contact Points *(Confidential)*

Annexure E.1 is located separately.

### E.2 Cash Discrepancies Contact Points

Annexure E.2 is located separately.

**The next page is Annexure F**

**ANNEXURE F. OPERATIONAL CONTACT POINTS (*CONFIDENTIAL*)**

Annexure F is located separately.

The next page is Annexure G

## ANNEXURE G. CONTINGENCY PROCEDURES FOR DISRUPTIVE EVENTS<sup>241</sup>

# Disruptive Events Guidelines

### Section 1 Executive Summary

### Section 2 Roles and Responsibilities

### Section 3 Communications

### Section 4 Contingency Procedures

### Section 5 Disruptive Events

---

<sup>241</sup> Last amended effective 1/1/17, version 017 r&p 003.16

## **1. EXECUTIVE SUMMARY**

### **1.1 Overview**

These guidelines have been prepared and endorsed by the Management Committee. They are not mandatory rules but intended to guide ACDES Framework Participants when exercising discretion to determine what action is to be taken in response to a Disruptive Event. Each Disruptive Event should be dealt with as considered appropriate in the particular circumstances.

### **1.2 Settlement**

Unless specifically deferred, settlement will not be affected by the occurrence of a Disruptive Event. Settlement will always be effected on the Buys executed.

### **1.3 Interest**

As covered in Part 6, Clause 6.5, if settlement is delayed the Buyer will pay compensation to the Seller.

## **2. ROLES AND RESPONSIBILITIES**

### **2.1 Australian Payments Network Limited (the Company)**

The roles and responsibilities of the Company, in relation to a Disruptive Event, is to communicate with Framework Participants on matters that affect the industry.

### **2.2 ACDES Framework Participants**

The roles and responsibilities of ACDES Framework Participants in relation to a Disruptive Event are as follows:

- to ensure that their internal contingency plans are consistent with these industry Contingency Procedures;
- to implement internal contingency procedures in response to a Disruptive Event and manage the impact on their internal operations;
- to assist in implementing industry Contingency Procedures, if applicable; and
- communicate directly with their customers, the Company and other relevant parties.

## **3. COMMUNICATIONS**

### **3.1 Overview of Contingency Communication Process**

This section defines the communications process between the Company and ACDES Framework Participants in the event of a Disruptive Event.

### **3.2 Framework Participant Activates Contingency Arrangements**

When an ACDES Framework Participant reports a Disruptive Event, it may invoke internal contingency plans, which include invoking Contingency Procedures.

### **3.3 Framework Participant Advises the Company of a Disruptive Event**

If a Framework Participant experiences a Disruptive Event, it should complete a Disruptive Event Advice (DEA) (see Annexure H). The Disrupted Framework Participant keeps other ACDES Framework Participants and the Company updated on any change concerning the Disruptive Event by completing and forwarding subsequent DEAs.

### **3.4 The Company Actions Framework Participant's Advice**

If the Company receives a DEA from an ACDES Framework Participant, sent in accordance with paragraph 3.3, the Company will endeavour to broadcast details of the Disruptive Event specified in the DEA to all Framework Participants on receipt. All subsequent communications relating to the Disruptive Event would be broadcast at regular intervals to other Framework Participants for update purposes.

## **4. CONTINGENCY PROCEDURES FOR DISRUPTIVE EVENTS**

### **4.1 The Company's Contingency Role**

This procedure may be followed by the Company in the event of a Framework Participant experiencing a Disruptive Event:

- receive and record DEA from the Disrupted Framework Participant;
- request the Disrupted Framework Participant to consider as appropriate, the possible remedial action detailed in section 5 in relation to the Disruptive Event;
- initiate a broadcast announcement to all Framework Participants after receiving a DEA during business hours; and
- broadcast additional updates to all Framework Participants daily, or more frequently if appropriate, on behalf of the Disrupted Framework Participant.

### **4.2 Framework Participants' Contingency Procedure**

This procedure may be followed by Framework Participants where a Disruptive Event occurs:

- actively pursue the identification and appropriate resolution of problem causing the Disruptive Event;
- invoke the appropriate internal contingency plans which may include invoking the Contingency Procedures set out in this Annexure;
- notify the Company of the internal assessment that a Disruptive Event may directly or indirectly impact other Framework Participants by completing and sending to it a DEA (Annexure H); and
- keep the Company and other ACDES Framework Participants updated of any change concerning the Disruptive Event by completing and sending to it subsequent DEAs daily, or more frequently if appropriate, during business hours.

## **5. DISRUPTIVE EVENTS**

### **5.1 Overview**

This section describes each identified Disruptive Event that may occur and possible appropriate actions that the Company and Framework Participants may undertake to address them.

### **5.2 Disruptive Events**

The incidents that may result in a Disruptive Event, include that the:

- Framework Participant is unable to trade;
- Framework Participant is unable to complete Movement Requests;
- Framework Participant is unable to provide Exchange Settlement information;
- Framework Participant is unable to effect Movement/Delivery of cash; and
- Carrier Services are impacted.

Each of these incidents only results in a Disruptive Event if it affects, or may affect, the ability of a Framework Participant to participate to the normal and usual extent in the exchanges of Cash in ACDES.



### 5.3 Trading<sup>242</sup>

The reasons a Framework Participant may be unable to trade, could include:

- No trading staff;
- No communications available;
- No access to cash; and/or
- Systems are unavailable.

Extent of the Disruptive Event	Possible Actions by ACDES Framework Participants	Possible Actions by the Company to Assist
Unable to trade for 1-2 days	<ul style="list-style-type: none"> <li>➤ Complete a Disruptive Event Advice;</li> <li>➤ Provide regular updates;</li> <li>➤ Invoke fallback methods of exchanging Transaction details (either an e-mail/fax from an authorised trader or agree a site to exchange paper effecting trades).</li> </ul>	Distribute advice and updates.
Unable to trade for 3 days up to one week.	<ul style="list-style-type: none"> <li>➤ As for 1-2 days above, unless more than one Framework Participant is affected.</li> </ul>	If more than one Framework Participant is affected, convene a meeting of MC5 or ACDES Framework Participants, including the RBA (if applicable), to discuss and agree action plan.
Unable to trade for longer than one week.	<ul style="list-style-type: none"> <li>➤ ACDES Framework Participants request carriers to trade on behalf of affected Framework Participants.</li> </ul>	Convene a meeting of MC5 or ACDES Framework Participants, including the RBA, (if applicable) to discuss and agree long term action plan.

<sup>242</sup> Last amended effective 1/1/17, version 017 r&p 003.16

#### 5.4 Movement Requests<sup>243</sup>

It is assumed that trading is complete and movement requests cannot be created. The reasons that Framework Participants may be unable to submit movement requests could include:

- No staff being available;
- No communications available; and/or
- Systems are unavailable.

Extent of the Disruptive Event	Possible Actions by ACDES Framework Participants	Possible Actions by the Company to Assist
Unable to submit movement requests for 1-2 days.	<ul style="list-style-type: none"> <li>➤ Complete a Disruptive Event Advice;</li> <li>➤ Provide regular updates;</li> <li>➤ Use another site for communications;</li> <li>➤ Fallback methods for exchange of movement requests (manually construct a list/advice in another format, providing all required details are present);</li> <li>➤ For Standing Orders, other ACDES Framework Participants could generate movement requests;</li> <li>➤ Instruct carriers to act on the authority of the Selling Framework Participant for Standing Orders; and/or</li> <li>➤ Ask carriers to extend cut-off times for movement requests.</li> </ul>	Distribute advice and updates.
Unable to submit movement requests for 3 days up to one week.	<ul style="list-style-type: none"> <li>➤ As for 1-2 days above.</li> <li>➤ Instruct carriers to act on authority of another Framework Participant for all movements.</li> </ul>	If more than one Framework Participant is affected, convene a meeting of MC5 or ACDES Framework Participants, including RBA to agree action plan.

<sup>243</sup> Last amended effective 26/11/15, version 015 r&p 001.15

Extent of the Disruptive Event	Possible Actions by ACDES Framework Participants	Possible Actions by the Company to Assist
Unable to submit movement requests for longer than one week.	As for 1-2 days and 3 days to one week above.	Convene a meeting of MC5 or ACDES Framework Participants, including the RBA, to discuss and agree long term action plan.

## 5.5 Settlement <sup>244</sup>

Extent of the Disruptive Event	Possible Actions by ACDES Framework Participants	Possible Actions by the Company to Assist
Unable to provide/exchange settlement data for 1-2 days.	<ul style="list-style-type: none"> <li>➤ Complete a Disruptive Event Advice;</li> <li>➤ Provide regular updates;</li> <li>➤ If one Framework Participant is affected, other Framework Participants are to advise the affected Framework Participant the settlement amount (settlement is effected on the basis of settlement amount advised by other Framework Participants).</li> <li>➤ If more than one Framework Participant is affected, settlement amounts are to be agreed bilaterally.</li> </ul>	Distribute advice and updates.
Unable to provide/exchange settlement data for 3 days up to one week.	As for 1-2 days above.	If more than one Framework Participant is affected, convene a meeting of MC5 or ACDES Framework Participants, including RBA to agree an action plan.
Unable to provide/exchange settlement data for longer than one week.	Affected Framework Participant to consider if notice for the termination of Standing Orders is required.	Convene a meeting of MC5 or ACDES Framework Participants, including the RBA, (if applicable) to discuss and agree a long-term action plan.

<sup>244</sup> Last amended effective 26/11/15, version 015 r&p 001.15

Extent of the Disruptive Event	Possible Actions by ACDES Framework Participants	Possible Actions by the Company to Assist
Unable to effect settlement for 1-2 days.	<ul style="list-style-type: none"> <li>➤ Complete a Disruptive Event Advice;</li> <li>➤ Provide regular updates;</li> <li>➤ Delayed settlement with interest adjustment (to be agreed bilaterally).</li> </ul>	Distribute advice and updates.
Unable to effect settlement for 3 days up to one week.	<ul style="list-style-type: none"> <li>➤ Parties to Standing Orders may suspend Standing Orders without notice.</li> </ul>	If more than one Framework Participant is affected, convene a meeting of MC5 or ACDES Framework Participants, including RBA, to agree action plan.
Unable to effect settlement for longer than one week.	<ul style="list-style-type: none"> <li>➤ Parties to Standing Orders may terminate Standing Orders without notice.</li> </ul>	Convene a meeting of MC5 or ACDES Framework Participants, including the RBA, to discuss and agree long term action plan.

Framework Participants are to effect error / interest adjustments (if required) on the first day settlement can be effected, ie. after the disruptive event affecting settlement data has been rectified.

## 5.6 Movement/Delivery of Cash<sup>245</sup>

Extent of the Disruptive Event	Possible Actions by ACDES Framework Participants	Possible Actions by the Company to Assist
Unable to move/deliver cash, at a state or national level for 1-2 days (excluding delivery to cash points).	<ul style="list-style-type: none"> <li>➤ Complete a Disruptive Event Advice;</li> <li>➤ Provide regular updates;</li> <li>➤ Standing Order obligations are suspended if unable to move cash due to reasons outside of the Framework Participant's control.</li> <li>➤ Selling or buying Framework Participant can suspend Standing Orders and previously agreed adhoc trades.</li> </ul>	Distribute advice and updates.

<sup>245</sup> Last amended effective 26/11/15, version 015 r&p 001.15

Extent of the Disruptive Event	Possible Actions by ACDES Framework Participants	Possible Actions by the Company to Assist
Unable to move/deliver cash, at a state or national level for 3 days up to one week (excluding delivery to cash points).	As for 1-2 days above.	If more than one Framework Participant is affected, convene a meeting of MC5 or ACDES Framework Participants, including RBA to agree action plan.
Unable to move/deliver cash, at a state or national level for longer than one week (excluding delivery to cash points).	As for 1-2 days above.	Convene a meeting of MC5 or ACDES Framework Participants, including the RBA, to discuss and agree long term action plan.

## 5.7 Carrier Services Impacted<sup>246</sup>

Extent of the Disruptive Event	Possible Actions by ACDES Framework Participants	Possible Actions by the Company to Assist
Carrier services impacted for 1-2 days.	<ul style="list-style-type: none"> <li>➤ Complete a Disruptive Event Advice;</li> <li>➤ Provide regular updates;</li> <li>➤ Request deferral of reporting to RBA;</li> <li>➤ Report on General Ledger figures (unreconciled data) with RBA agreement;</li> <li>➤ Advise auditors.</li> </ul>	Distribute advice and updates.
Carrier services impacted for 3 days up to one week.	As for 1-2 days above.	If more than one Framework Participant is affected, convene a meeting of MC5 or ACDES Framework Participants, including RBA to agree action plan.

<sup>246</sup> Last amended effective 26/11/15, version 015 r&p 001.15

Extent of the Disruptive Event	Possible Actions by ACDES Framework Participants	Possible Actions by the Company to Assist
Carrier services impacted for longer than one week.	Consider engagement/involvement of auditors.	Convene a meeting of MC5 or ACDES Framework Participants, including the RBA, to discuss and agree long term action plan.

The next page is Annexure H

## ANNEXURE H. ACDES DISRUPTIVE EVENT ADVICE<sup>247</sup>

# ACDES Disruptive Event Advice

**Disclaimer:** This document has been compiled in good faith from information provided by third parties. No representation or warranty is made by AusPayNet as to the truth or accuracy of the information and AusPayNet, its officers, employees and agents expressly disclaim all and any liability in respect of the information.

### DETAILS

Date of Advice:

--	--	--

DD

MMM

YYYY

Notifying Institution:

--

Institution Experiencing Difficulty:

--

### CONTACT POINT

Name:

--

Phone Number:

--

Fax Number:

--

Email Address:

--

### DESCRIPTION OF DISRUPTION

--

### PAYMENT STREAMS AFFECTED:



Australian Cash Distribution and Exchange System

### SERVICES IMPACTED – ACDES


<sup>247</sup> Last amended effective 1/1/22, version 019 r&p 002.21

**EXPECTED TIME FRAME OF THE DISRUPTIVE EVENT**

FROM:  TO:   
 Date and Time Date and Time

**CONTINGENCY/FALLBACK ARRANGEMENTS BEING USED**


**PARTIES TO BE INFORMED**

- ☐ ACDES Framework Participant Banks
- ☐ RBA Only
- ☐ Carriers
- ☐ Other:

**PLANNED ARRANGEMENTS IF NOT RESOLVED IN THE EXPECTED TIME FRAME**


**NEXT EXPECTED UPDATE**

**ATTACHMENTS**

☐ There are NO attachments to this DEA

**The next page is Annexure I**



**ANNEXURE I. INTRA DEPOT TRANSFER SUMMARY SHEET<sup>248</sup>**

<b>To:</b> <b>Fax:</b>						
<b>Intra Depot Transfer Summary Sheet</b> <b>Normal/Emergency</b> <b>[Bank A]</b> <b>Transfer of ownership</b> <b>Date:</b> <b>Time:</b>						
<b>Counterparty</b> <b>[Bank B and address details]</b>						
<b>[Bank A] BUY from [Bank B]</b>						
Seller Transaction Code	Buyer Transaction Code	Denomination	Value	State	Depot Code	Depot Name
<b>TOTAL</b>						

<b>[Bank A] SELL to [Bank B]</b>						
Seller Transaction Code	Buyer Transaction Code	Denomination	Value	State	Depot Code	Depot Name
<b>TOTAL</b>						

<b>Issuing Party's Authorisation</b>	
<b>Name 1:</b>	<b>Name 2:</b>
<b>Signature 1:</b>	<b>Signature 2:</b>

<sup>248</sup> Inserted effective 14/2/05, version 006 r&p 001.05

### **Instructions for completing Intra Depot Transfer Summary Sheets<sup>249</sup>**

Intra Depot Transfer Summary Sheets must be completed in accordance with the following instructions:

To	Insert the name of the ACCO.
Fax	Insert the fax number of the ACCO.
Bank A	Insert the name of the financial institution completing the Intra Depot Transfer Summary Sheet.
Bank B and address details	Insert the name and address details of the counter party.
Seller Transaction Code	Insert the buying financial institution's code for the Transaction.
Buyer Transaction Code	Insert the selling financial institution's code for the Transaction.
Denomination	Enter the denomination of the Cash included in the Transaction.
Value	Enter the total \$ value of the Cash included in the Transaction.
State	Enter the State in which the ACCO's depot is located.
Depot code	Enter the 3 letter depot code for the relevant depot.
Depot name	Enter the name of the depot.

**The next page is Annexure J**

---

<sup>249</sup> Inserted effective 14/2/05, version 006 r&p 001.05

---

**ANNEXURE J. BUSINESS RULES<sup>250</sup>**

Business Rules for the return of Unfit Bank Notes from Approved Cash Centres (ACCs) to the Reserve Bank of Australia (RBA) National Note Processing & Distribution Centre (NNPDC).

To facilitate the most time efficient and cost effective movement of Unfit Notes to the NNPDC.

- 1 Unfit Banknotes are to be held under individual Bank Cash Pool Title.
- 2 Bank prepared UNFIT Banknotes (contained in Tamper Evident Bags (TEB's)) are verified into Verified Cash Holdings (VCH), the reprocessing of these Unfit Banknotes are to be conducted at source ACC (fine counted and fitness sorted).
- 3 When the Unfit Banknotes held under Cash Pool Title exceeds the minimum threshold, the banknotes are to be transported to the next stage. (Transport through to the agreed route for example: 862 – Kalgoorlie to 830 - Melbourne).
  - (a) Regional ACCs - \$1m
  - (b) Metro ACCs - \$4m
  - (c) Capital Cities to 830 - \$10m
  - (d) 830 to NNPDC – minimum 2 stillages or \$10m
- 4 Where possible, VCH and CCS selected samples to be returned to the NNPDC should be moved conjunctively with the unfit banknote movements.
- 5 If the Service Provider cannot foresee the VCH and CCS selected samples can be moved conjunctively in line with the movements described in [3], the Bank(s) are to be notified by the last business day of the month selected, for discussion and approval.

Service level Performance Management to be discussed quarterly with the Distribution Participants

**The next page is Annexure K**

---

<sup>250</sup> Inserted effective 26/11/15, version 015 r&p 001.15

## ANNEXURE K. CASH OWNERSHIP AND SECURITY PROTOCOL<sup>251</sup>

General terms	86
Introduction	86
<b>1. ADHERENCE TO AND EFFECTIVENESS OF PROTOCOL .....</b>	<b>86</b>
1.1 Effect of adherence	86
1.2 Process of adherence	86
1.3 Implementation Date	87
1.4 Use of Protocol	87
1.5 Adherence is irrevocable	87
1.6 Cut-off date	88
1.7 Retirement of AusPayNet	88
<b>2. REPRESENTATIONS AND WARRANTIES .....</b>	<b>89</b>
<b>3. EFFECT OF PROTOCOL ON PROTOCOL COVERED AGREEMENT .....</b>	<b>90</b>
<b>4. APPOINTMENT OF AUSPAYNET AS NOMINEE .....</b>	<b>90</b>
4.1 Appointment of AusPayNet as secured party nominee for PPSA registration	90
4.2 Terms of appointment	90
4.3 Notices in connection with a registration	91
4.4 Instructions	91
4.5 AusPayNet's actions	92
4.6 Customer's instructions	92
4.7 Customers bound by AusPayNet's actions	92
4.8 Awareness of certain events	92
4.9 Assuming compliance	92
4.10 No obligations to monitor performance	93
4.11 Exclusion of Liability	93
4.12 Indemnity	93
4.13 PPSA registration information	93
4.14 PPSA confidentiality	94
4.15 Exclusion of PPSA provision	94
4.16 Further steps	94
<b>5. EXCLUSION OF LIABILITY.....</b>	<b>94</b>
5.1 Role of AusPayNet	94
5.2 Exclusion of Liability	94

<sup>251</sup> Amended effective 1/1/24, version 021 r&p 002.23

---

5.3 Indemnity	94
5.4 Rights of AusPayNet are protected	95
<b>6. COSTS.....</b>	<b>96</b>
6.1 Costs	96
6.2 Stamp duty and registration fees	96
<b>7. GENERAL.....</b>	<b>96</b>
7.1 Entire agreement	96
7.2 No relationship between AusPayNet or any Adhering Party	96
7.3 Consideration	96
7.4 Variation and waiver	96
7.5 Partial exercising of rights	97
7.6 Remedies cumulative	97
7.7 Inconsistent law	97
7.8 Deed poll in favour of AusPayNet	97
<b>8. NOTICES AND OTHER COMMUNICATIONS .....</b>	<b>97</b>
8.1 Form	97
8.2 Delivery	97
8.3 When effective	98
8.4 When taken to be received	98
8.5 Receipt outside business hours	98
<b>9. GOVERNING LAW .....</b>	<b>98</b>
9.1 Governing law and jurisdiction	98
9.2 Serving documents	99
<b>10. DEFINITIONS AND INTERPRETATION .....</b>	<b>99</b>
10.1 Definitions	99
10.2 General interpretation	102
<b>Exhibit 1 – Form of Adherence Letter</b>	<b>105</b>
<b>Exhibit 2 – Form of Revocation Notice</b>	<b>107</b>
<b>Exhibit 3 – Bailment Terms</b>	<b>108</b>

---

## Cash Ownership and Security Protocol

### General terms

#### Introduction

AusPayNet has prepared this Protocol to enable parties to amend the terms of Protocol Covered Agreements to include the provisions relating to ownership and control of Cash which apply when a Cash Handler holds Cash for a Customer in a Mixed Cash Pool at one or more Approved Cash Centres. Those provisions are intended to facilitate the Customers retaining full title to the Cash held for them in a Mixed Cash Pool, and transferring only possession, and not ownership, of that Cash to the Cash Handler.

This Protocol amends the terms of Protocol Covered Agreements if, and only to the extent that, they relate to a Mixed Cash Pool. This Protocol does not amend the terms of Protocol Covered Agreements to the extent that they relate to Cash of a Customer that is held by the Cash Handler separately from the Cash of any other person.

A party that has entered into or intends to enter into a Protocol Covered Agreement may adhere to this Protocol and be bound by its terms by completing and delivering an Adherence Letter to AusPayNet, in accordance with the provisions below.

Capitalised terms used but not otherwise defined in this Protocol have the meaning given in clause 10.1 ("Definitions").

#### **1 Adherence to and effectiveness of Protocol**

##### **1.1 Effect of adherence**

By adhering to this Protocol, an Adhering Party agrees that the terms of each Protocol Covered Agreement, if any, between it and each other Adhering Party, whether executed, entered into, or deemed entered into prior to or following the Implementation Date, are amended to include the Bailment Terms, in each case with effect from the Implementation Date.

##### **1.2 Process of adherence**

Adherence to this Protocol is to be evidenced by the execution and delivery to AusPayNet of an Adherence Letter, together with evidence satisfactory in form and substance to AusPayNet of the authority of the signatories to execute the Adherence Letter.

Each Adhering Party:

- (a) agrees that the determination of the date and time of acceptance of any Adherence Letter is to be determined by AusPayNet in its absolute discretion; and
- (b) consents to the publication of a copy of the Protocol by AusPayNet and to the disclosure by AusPayNet of its name as an Adhering Party to the Protocol.

### 1.3 Implementation Date

As between any Adhering Parties to a Protocol Covered Agreement, the agreement to make the amendments contemplated by this Protocol, on the terms and conditions set out in this Protocol, is effective from the later of:

- (a) the date of acceptance by AusPayNet of an Adherence Letter from the latest of such Adhering Parties to adhere; and
- (b) the day following the date of the Cash Handling Agreement,

(such date with respect to such Adhering Parties, the “**Implementation Date**”).

Acceptance by AusPayNet of a subsequent or revised Adherence Letter from any such Adhering Parties does not have the effect of changing such Implementation Date.

### 1.4 Use of Protocol

This Protocol is intended for use without negotiation, but without limiting any amendment, modification or waiver in respect of a Protocol Covered Agreement that the parties may otherwise effect in accordance with the terms of that Protocol Covered Agreement.

In adhering to this Protocol, an Adhering Party is not to specify additional provisions, conditions or limitations in its Adherence Letter.

Any purported adherence that AusPayNet determines in good faith is not in compliance with this Protocol is void and AusPayNet will inform the relevant party of such fact as soon as reasonably possible after making such determination.

### 1.5 Adherence is irrevocable

Each Adhering Party acknowledges and agrees that adherence to this Protocol is irrevocable.

However, an Adhering Party may deliver to AusPayNet a Revocation Notice to designate a Revocation Date in respect of it. The Adhering Party must also provide to AusPayNet evidence satisfactory in form and substance to AusPayNet of the authority of the signatories to execute the Revocation Notice.

This Protocol does not amend any Cash Handling Agreement between that Adhering Party and one or more other Adhering Parties which is entered into after that Revocation Date occurs, and such Cash Handling Agreement will not be a Protocol Covered Agreement. However, the designation of the Revocation Date does not affect any amendment effected pursuant to this Protocol to any Protocol Covered Agreement between that Adhering Party and one or more other Adhering Parties that was entered into on or before the Revocation Date, and any such

amendment remains effective despite the occurrence of that Revocation Date.

Any Revocation Notice that AusPayNet determines in good faith is not in compliance with this clause 1.5 (“Adherence is irrevocable”) is void and AusPayNet will inform the Adhering Party of such fact as soon as reasonably possible after making such determination.

AusPayNet will promptly notify each Adhering Party if it receives a Revocation Notice.

## 1.6 Cut-off date

Where there is a change in circumstances that is materially adverse to AusPayNet’s ability to administer this Protocol, AusPayNet may, in its sole and absolute discretion, upon thirty calendar days’ notice on its website at <http://auspaynet.com.au/> (or by other suitable means), designate a closing date of this Protocol (such closing date, the “**Cut-off Date**”). After the Cut-off Date, AusPayNet will not accept any further Adherence Letters to this Protocol.

## 1.7 Retirement of AusPayNet

- (a) If AusPayNet no longer wishes to be a party to this Protocol, it will:
  - (i) promptly notify each Customer and advise each Customer of its proposed successor;
  - (ii) provide any information reasonably required by a Customer to consider whether the proposed successor would be appropriate; and
  - (iii) provide the Customers with a period of no less than 20 Business Days, commencing from the date of the notification issued under paragraph (i) above, (“**Consultation Period**”) to consider the proposal and during that time AusPayNet agrees to take into consideration any concerns or issues raised by the Customers with respect to the appointment of the proposed successor and to use reasonable endeavours to address such concerns or issues.

Each Customer must notify AusPayNet by the end of the Consultation Period whether or not they consent to the appointment of the proposed successor. Any Customer that does not provide such notification will be deemed to have consented.

If a simple majority of the Customers consents, or is deemed to have consented, to the appointment of the proposed successor, AusPayNet may arrange for the proposed successor (“**Successor**”) to replace AusPayNet as a party to, and assume all its obligations under and in connection with, this Protocol. AusPayNet will only retire after a Successor has been appointed



to assume the role of nominee to act for the purposes set out in clause 4 ("Appointment of AusPayNet as nominee").

- (b) AusPayNet and each Adhering Party will do everything reasonably required to ensure that the Successor becomes a party to all documents and agreements, assumes obligations, and receives any necessary consents and approvals, which are required to replace AusPayNet as a party to and assume all its obligations under and in connection with this Protocol.
- (c) AusPayNet agrees to:
  - (i) deliver to the Successor all Adherence Letters and Revocation Notices;
  - (ii) make available to the Successor such documents and records and provide such assistance as the Successor may reasonably request for the purposes of performing its functions as Successor under this Protocol;
  - (iii) notify each Adhering Party of the successful appointment of the Successor; and
  - (iv) facilitate the amendment of any registration referred to in clause 4 ("Appointment of AusPayNet as nominee") to be recorded in the name of the Successor as nominee.

---

## 2 Representation and warranties

As of the Implementation Date in respect of any Adhering Parties, each such Adhering Party represents and warrants to each other Adhering Party with which it has entered into a Protocol Covered Agreement and AusPayNet that:

- (a) it has full power and authority to enter into and perform its obligations under this Protocol;
- (b) it has taken all necessary action to authorise the execution, delivery and the performance of this Protocol;
- (c) this Protocol constitutes its legal, valid and binding obligations, enforceable in accordance with its terms; and
- (d) where it is a Cash Handler, its adherence to this Protocol and any amendment contemplated by this Protocol will not, in and of itself, adversely affect the enforceability, effectiveness or validity of any obligations owed, whether by it or by any third party, under any Credit Support Document in respect of its obligations relating to the Protocol Covered Agreement as amended by the Adherence Letter and this Protocol.

### **3 Effect of Protocol on Protocol Covered Agreement**

Except for any amendment deemed to be made pursuant to this Protocol in respect of any Protocol Covered Agreement, each Protocol Covered Agreement will continue in full force and effect in accordance with its provisions as in effect immediately prior to the Implementation Date. Except as expressly stated in this Protocol, nothing in this Protocol constitutes a waiver or release of any rights of any Adhering Party under any Protocol Covered Agreement to which such Adhering Party is a party. Any amendments made pursuant to this Protocol will form a part of each Protocol Covered Agreement despite any term of that Protocol Covered Agreement.

### **4 Appointment of AusPayNet as nominee**

#### **4.1 Appointment of AusPayNet as secured party nominee for PPSA registration**

For the purposes of section 153 of the PPSA, each Customer appoints AusPayNet as its nominee, and authorises AusPayNet to act on the Customer's behalf, in connection with the registration on the Personal Property Securities Register of any security interests under the Adherence Letter of a Cash Handler and the Bailment Terms included in a Protocol Covered Agreement ("registration").

The Customer acknowledges that AusPayNet has no obligations in relation to any registration except those expressly set out in this clause 4 ("Appointment of AusPayNet as nominee").

#### **4.2 Terms of appointment**

This appointment by a Customer is made on the following terms:

- (a) AusPayNet agrees to apply for a single registration in its own name on the following basis in respect of each Cash Handler promptly following its receipt of an Adherence Letter of that Cash Handler:
  - (i) the Cash Handler is the grantor;
  - (ii) the collateral type is commercial property;
  - (iii) the collateral class is "All present and after-acquired property – With exceptions", with the exceptions being "any property of the grantor which is not from time to time subject to a security agreement in favour of the secured party";
  - (iv) the registration has no stated end time;
  - (v) the registration is not subordinated to another registration; and

- (vi) proceeds are to be claimed in respect of all present and after acquired property.
- (b) A Customer may request in writing that AusPayNet apply to amend the registration referred to in sub-paragraph (a) above or for an additional registration in AusPayNet's name in respect of a Cash Handler. Such request shall specify the particular amendment or basis on which the additional registration to be made.

Promptly following receipt of such a request, AusPayNet agrees to seek instructions and take action in respect of such request in accordance with clause 4.4 ("Instructions") below.

#### **4.3 Notices in connection with a registration**

- (a) If AusPayNet receives a notice or other communication in connection with a registration made by it in accordance with this clause 4 ("Appointment of AusPayNet as nominee") (including a notice or communication under the PPSA such as a verification statement under section 157, an amendment demand under section 178, a request for information under section 275 or a notice in connection with enforcement under Chapter 4), AusPayNet agrees to give each Customer a copy of each notice (whether or not it relates to that Customer) promptly after AusPayNet receives it.
- (b) AusPayNet is not obliged:
  - (i) to review or check the adequacy, accuracy or completeness of any notice or other communication AusPayNet forwards to the Customer; or
  - (ii) either initially or on a continuing basis, to review or check any document or information that the Customer gives to AusPayNet.

#### **4.4 Instructions**

If AusPayNet proposes to act in connection with a registration made by it in respect of a Cash Handler in accordance with this clause 4 ("Appointment of AusPayNet as nominee"), it agrees to:

- (a) request that each Customer notify AusPayNet whether they are a Co- owner in a Mixed Cash Pool of that Cash Handler; and
- (b) take action if, and only if, it receives instructions to do so from all Customers that have responded to the request in paragraph (a) above notifying AusPayNet that they are a Co-owner in a Mixed Cash Pool of that Cash Handler.

If AusPayNet does not receive instructions (including after it requests them), it need not act.

#### **4.5 AusPayNet's actions**

Whenever AusPayNet:

- (a) seeks instructions from Customers, it agrees to specify a reasonable period within which those instructions are to be given; and
- (b) receives instructions from Customers, it agrees to follow them but only in so far as they are in accordance with this Protocol.

#### **4.6 Customer's instructions**

Whenever a Customer gives instructions:

- (a) it must do so in accordance with this Protocol and within any time period specified by AusPayNet for giving instructions; and
- (b) it authorises AusPayNet to do any other thing appropriate to carry out the instructions.

If AusPayNet specifies in its notice seeking instructions that a failure to respond will mean that a Customer will not be included for the purposes of determining whether instructions have been given by all Customers and a Customer does not give instructions within any time period specified by AusPayNet, the Customer will not be included for the purposes of determining whether instructions have been given by all Customers.

#### **4.7 Customers bound by AusPayNet's actions**

Each Customer agrees to be bound by anything properly done or properly not done by AusPayNet in accordance with this clause 4 ("Appointment of AusPayNet as nominee"), whether or not on instructions, and whether or not the Customer gave an instruction or approved of the thing done or not done.

#### **4.8 Awareness of certain events**

AusPayNet is taken not to be aware of a default under, or any other information in connection with, any Protocol Covered Agreement until it receives notice of such default or information from an Adhering Party that is a party to such agreement.

#### **4.9 Assuming compliance**

Until it becomes aware in accordance with clause 4.8 ("Awareness of certain events"), AusPayNet may assume that no default has occurred and that each Cash Handler is observing all its obligations in connection with any Protocol Covered Agreement and need not inquire whether that is, in fact, the case.

#### **4.10 No obligations to monitor performance**

The Adhering Parties agree that AusPayNet does not have any obligations, either initially or on a continuing basis, to keep itself informed, or to inform any Adhering Party, about the performance by a Cash Handler under a Protocol Covered Agreement.

#### **4.11 Exclusion of Liability**

AusPayNet is not responsible or liable to any Adhering Party or any other person for any of AusPayNet's acts or omissions in connection with any registration, including as a result of AusPayNet relying on any instruction, notice or other communication provided to it by a Customer in connection with a registration made by it in accordance with this clause 4 ("Appointment of AusPayNet as nominee"), except to the extent that the act or omission amounts to fraud, gross negligence or wilful misconduct.

#### **4.12 Indemnity**

Without limiting clause 5.3 ("Indemnity"), each Cash Handler agrees to pay or reimburse AusPayNet for AusPayNet's costs, charges and expenses in making, enforcing and doing anything in connection with any registration of a security interest granted by that Cash Handler.

#### **4.13 PPSA registration information**

The Cash Handler agrees to notify AusPayNet:

- (a) at least 30 days before the Cash Handler does any of the following:
  - (i) if the Cash Handler does not have an ACN or ARBN, or the trust referred to in the Adherence Letter of the Cash Handler, does not have an ABN or ARSN, the Cash Handler changes its name;
  - (ii) if the Cash Handler becomes trustee of a trust with an ABN or ARSN, or a partner in a partnership with an ABN, other than a trust or partnership referred to in the Adherence Letter of the Cash Handler; and
  - (iii) if the Cash Handler is a trustee of a trust without an ABN or ARSN, or a partner in a partnership without an ABN, the trust or partnership acquires such a number; and
- (b) if the Cash Handler has an ACN or ARBN, or is the trustee of a trust that has an ABN or ARSN, or is a partner in a partnership that has an ABN, as soon as possible after the Cash Handler becomes aware that the number will change or cease to apply.

Any notice given under this clause must state that it is given under this clause.

#### 4.14 PPSA confidentiality

Despite anything else in this Protocol, the Bailment Terms, an Adherence Letter or a Protocol Covered Agreement, neither AusPayNet nor an Adhering Party may disclose any information in connection with this Protocol, the Bailment Terms or an Adherence Letter under section 275(4) of the PPSA unless section 275(7) of the PPSA applies.

#### 4.15 Exclusion of PPSA provision

To the extent the law permits, the Cash Handler agrees not to exercise its rights to make any request of AusPayNet or a Customer under section 275 of the PPSA, to authorise the disclosure of any information under that section or to waive any duty of confidence that would otherwise permit non-disclosure under that section.

#### 4.16 Further steps

Upon a reasonable request from an Adhering Party that is a Co-owner in respect of a Mixed Cash Pool, each other Co-owner of that Mixed Cash Pool agrees to promptly do anything (such as obtaining consents, signing and producing documents and getting documents completed and signed) which that Adhering Party asks and considers necessary to enable it to exercise its rights to require the relevant Cash Handler to deliver up the Cash in accordance with the Bailment Terms included in a Protocol Covered Agreement.

---

### 5 Exclusion of Liability

#### 5.1 Role of AusPayNet

AusPayNet is not acting as advisor or fiduciary to, or in any way acting on behalf of, any Adhering Party, Co-owner or Approved Cash Centre Operator in connection with this Protocol (except as expressly set out in clause 4 ("Appointment of AusPayNet as nominee"). Each Adhering Party agrees that it has made its own independent decision to adhere to the Protocol and is not relying on AusPayNet in any way.

#### 5.2 Exclusion of Liability

Subject to clause 4.11 ("Exclusion of Liability"), AusPayNet is not liable for any liability, demand, proceeding, claim, action, loss, damage, Costs or expense (including legal costs) ("**liability**") brought against or incurred by AusPayNet in any way arising from or in connection with this Protocol.

#### 5.3 Indemnity

Each Adhering Party unconditionally and irrevocably indemnifies AusPayNet on demand against, and agrees to reimburse and compensate it for, any liability or loss arising from, and any Costs ("**Liability**") incurred in connection with this Protocol (including any correspondence in respect of it), except to the extent that such Liability is directly caused by the fraud, dishonesty, misconduct, bad faith or

negligence of AusPayNet, its employees, officers or agents ("**AusPayNet Indemnity**").

In respect of each amount claimed by AusPayNet under this clause 5.3 ("Indemnity"), each Adhering Party shall be severally liable. Without limiting its rights under this clause, AusPayNet's intention as at the date of this Protocol is that if it determines that any such Liability that is directly caused solely by the actions of one or more Adhering Parties, it will make a claim in respect of such Liability against those Adhering Parties prior to making a claim against any other Adhering Party.

AusPayNet must use all reasonable endeavours to mitigate any Liability.

#### 5.4 Rights of AusPayNet are protected

Each Adhering Party agrees that:

- (a) **(Conflict of interest)** AusPayNet's rights and remedies under this clause 5 ("Exclusion of Liability") may be exercised even if this involves a conflict of duty or AusPayNet has a personal interest in their exercise;
- (b) **(Rights protected)** Rights given to AusPayNet under this clause 5("Exclusion of Liability"), and each Adhering Party's liabilities under it, are not affected by any act or omission or any other thing which might otherwise affect them under law or otherwise;
- (c) **(No merger)** The AusPayNet Indemnity does not merge with or adversely affect, and is not adversely affected by, any other guarantee, indemnity, or other right or remedy to which AusPayNet is entitled. AusPayNet may still exercise its rights under the AusPayNet Indemnity as well as under the right or remedy;
- (d) **(Remedies cumulative)** AusPayNet's rights and remedies under the AusPayNet Indemnity are in addition to other rights and remedies given by law independently of the AusPayNet Indemnity; and
- (e) **(Indemnity continuing)** The obligations of each Adhering Party under the AusPayNet Indemnity are continuing obligations, independent of each Adhering Party's other obligations under this Protocol, and survive a person ceasing to be an Adhering Party in respect of any liabilities incurred prior to that cessation. It is not necessary for AusPayNet to incur expense or make payment before enforcing the AusPayNet Indemnity.

## **6 Costs**

### **6.1 Costs**

Each Adhering Party agrees to pay its own Costs in connection with the preparation, execution and completion of its Adherence Letter, except for amounts covered by this clause 6 ("Costs").

### **6.2 Stamp duty and registration fees**

The Cash Handler:

- (a) agrees to pay or reimburse all registration fees, stamp duty and similar taxes payable or assessed as being payable in connection with this Protocol (including any Adherence Letter) or any other transaction contemplated by this Protocol (including any fees, fines, penalties and interest in connection with any of those amounts); and
- (b) indemnifies AusPayNet, and each Customer that is a party to a Protocol Covered Agreement with it, against, and agrees to reimburse and compensate them for, any liability in respect of stamp duty under clause 6.2(a) ("Stamp duty and registration fees").

## **7 General**

### **7.1 Entire agreement**

This Protocol constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

### **7.2 No relationship between AusPayNet or any Adhering Party**

Nothing contained or implied in this Protocol constitutes AusPayNet or any Adhering Party as the partner, agent or legal representative of another Adhering Party for any purpose or creates any partnership, agency or trust. No party has, by virtue of this Protocol, any authority to bind another party in any way.

### **7.3 Consideration**

Each Adhering Party acknowledges entering into its Adherence Letter, and incurring obligations and giving rights under this Protocol, for valuable consideration received from each other party.

### **7.4 Variation and waiver**

A provision of this Protocol, or right, power or remedy created under it, may not be varied or waived except in writing signed by AusPayNet and each Adhering Party to be bound.



## **7.5 Partial exercising of rights**

Unless this Protocol expressly states otherwise, if AusPayNet or an Adhering Party does not exercise a right, power or remedy in connection with this Protocol fully or at a given time, they may still exercise it later.

## **7.6 Remedies cumulative**

The rights, powers and remedies in connection with this Protocol are in addition to other rights, powers and remedies given by law independently of this Protocol.

## **7.7 Inconsistent law**

To the extent the law permits, this Protocol prevails to the extent it is inconsistent with any law.

## **7.8 Deed poll in favour of AusPayNet**

By adhering to this Protocol an Adhering Party is entering into a deed poll in favour of AusPayNet on the terms of the Adherence Letter and this Protocol.

---

# **8 Notices and other communications**

## **8.1 Form**

Unless this Protocol expressly states otherwise, all notices, demands, waivers and other communications in connection with this Protocol must be in writing and signed by an Authorised Officer of the sender.

All communications (other than email communications) to an Adhering Party must also be marked for the attention of the person referred to in the Adherence Letter.

## **8.2 Delivery**

Communications must be:

- (a) left at or sent by prepaid ordinary post (airmail if appropriate) to the address, or sent by fax to the fax number, referred to in the Adherence Letter for an Adhering Party (or such address or fax number subsequently notified to AusPayNet) or, in the case of AusPayNet, the address or fax number specified below;

- (b) the contact details for AusPayNet are as follows, or such other details as posted on its website at <http://auspaynet.com.au/> (or by other suitable means) from time to time:

Attention: ACDES Secretary  
Address: Suite 2, Level 17,  
Grosvenor Place, 225 George Street,  
Sydney NSW 2000  
Telephone: +61 2 9216 4888

### **8.3 When effective**

Communications take effect from the time they are received or taken to be received under clause 8.4 ("When taken to be received") (whichever happens first) unless a later time is specified in the communication.

### **8.4 When taken to be received**

Communications are taken to be received:

- (a) if sent by post, 3 days after posting (or 7 days after posting if sent from one country to another); or
- (b) if sent by fax, at the time shown in the transmission report as the time that the whole fax was sent,

whichever happens first.

### **8.5 Receipt outside business hours**

Despite anything else in this clause 8 ("Notices and other communications"), if communications are received or taken to be received under clause 8.4 ("When taken to be received") after 5.00pm on a Business Day or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day.

---

## **9 Governing law**

### **9.1 Governing law and jurisdiction**

This Protocol and each Adherence Letter will, as between Adhering Parties in respect of each Protocol Covered Agreement between them, and as between each Adhering Party and AusPayNet, be governed by and construed in accordance with the laws of New South Wales, including any non-contractual matters. The parties submit to the non-exclusive jurisdiction of the courts of that place.

However:

- (a) subject to paragraph (b), the amendments to each Protocol Covered Agreement shall be governed by and construed in accordance with the law specified to govern that Protocol Covered Agreement;

- (b) to the extent the law permits, the law of the Commonwealth as it applies in that jurisdiction governs a security interest arising under the Bailment Terms.

## 9.2 Serving documents

Without preventing any other method of service, any document in an action in connection with this Protocol may be served on a party by being delivered or left at that party's address for service of notices under clause 8.2 ("Delivery").

---

## 10 Definitions and interpretation

### 10.1 Definitions

Unless the contrary intention appears, these meanings apply:

**ACDES Procedures** means the Procedures for Australian Cash Distribution and Exchange System.

**Adherence Letter** means a letter substantially in the form of Exhibit 1 to this Protocol.

**Adhering Party** means a party that has adhered to this Protocol in accordance with clause 1.2 ("Process of adherence"), being either a Co-owner or a Cash Handler.

**Approved Cash Centre** means any facility operated by the Cash Handler which has been approved by the Reserve Bank of Australia for use as a cash centre.

**Approved Cash Centre Operator** means a party authorised by the Reserve Bank of Australia to operate an Approved Cash Centre. Typically ACCOs will be armoured carriers, however, the Reserve Bank of Australia may also authorise banks and other companies to operate cash centres.

**AusPayNet** means the Australian Payments Network Limited (ABN 12 055 136 519).

**AusPayNet Indemnity** means the indemnity described in clause 5.3 ("Indemnity").

**Authorised Deposit-taking Institution** has the meaning given to that term in the Banking Act.

**Authorised Officer** means a director or secretary of a party or any other person nominated by a party to act as an Authorised Officer for the purposes of this Protocol.

**Bailment Terms** means the terms set out in Exhibit 3 to this Protocol.

**Banking Act** means the *Banking Act 1959* (Cth).

**Business Day** means a day on which banks are open for general banking business in Sydney (not being a Saturday, Sunday or public holiday in that place).

**Cash** means Australian legal tender (that is, notes and coins).

**Cash Handler** means each Approved Cash Centre Operator which is an Adhering Party that has specified that it is a “Cash Handler” in its Adherence Letter.

**Cash Handling Agreement** means any agreement between one or more Cash Handlers and one or more Customers pursuant to which a Cash Handler holds Cash for a Customer in a Mixed Cash Pool at one or more Approved Cash Centres.

**Co-owner** means, in respect of a Mixed Cash Pool, a person who has a legal and equitable co-ownership interest in common in the Mixed Cash Pool.

**Co-owner’s Entitlement** has the meaning given in clause 2.3 (“Dealings by other Co-owners”) of the Bailment Terms.

**Controller** has the meaning it has in the Corporations Act.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Costs** includes costs, charges and expenses, including those incurred in connection with advisers and any legal costs on a full indemnity basis.

**Credit Support Document** means, in respect of a Cash Handler and a Protocol Covered Agreement, any document in effect on the Implementation Date which by its terms secures, guarantees or otherwise supports such Cash Handler’s obligations under such Protocol Covered Agreement from time to time, whether or not:

- (a) it is executed by an Adhering Party or a person that is not an Adhering Party; or
- (b) such document is specified as such in either it or in the Protocol Covered Agreement.

**Customer** means each Adhering Party that has specified that it is a “Customer” in its Adherence Letter.

**Customer’s Cash** means, in respect of a Customer and a Mixed Cash Pool, the Cash of the Customer delivered to the Cash Handler for holding in the Mixed Cash Pool under the relevant Protocol Covered Agreement.

**Customer’s Entitlement** has the meaning given in clause 2.1 (“Customer’s Entitlement”) of the Bailment Terms.

**Cut-off Date** has the meaning given in clause 1.6 (“Cut-off date”).

**Encumbrance** means any:

- (a) security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any “security interest” as defined in sections 12(1) or (2) of the PPSA;
- (b) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off;
- (c) right that a person (other than the owner) has to remove something from land (known as a profit à prendre), easement, public right of way, restrictive or positive covenant, lease, or licence to use or occupy; or
- (d) third party right or interest, or any right arising as a consequence of the enforcement of a judgment,

or any agreement to create any of them or allow them to exist.

**Implementation Date** in respect of any Adhering Parties to a Protocol Covered Agreement has the meaning given in clause 1.3 (“Implementation Date”).

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to its property;
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this document);
- (d) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 14 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of the things described in paragraphs (a), (b) or (c);
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this document reasonably deduces it is so

subject);

- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to any of the things described in paragraphs (a) to (g) happens in connection with that person under the law of any jurisdiction.

**Loss** means any loss, destruction, damage, impairment or theft.

**Mixed Cash Pool** means a collection of Cash held by the Cash Handler on behalf of the Customer and other Co-owners where Cash is commingled.

**Owe**, in relation to an amount, means an amount which is currently owed or which will or may be owed in the future.

**PPSA** means the *Personal Property Securities Act 2009* (Cth).

**Protocol Covered Agreement** means, in respect of two or more Adhering Parties, any Cash Handling Agreement executed, entered into or deemed entered into by those Adhering Parties at any time, whether prior to or following the Implementation Date.

**Receiver** includes a receiver or receiver and manager.

**Revocation Date** means, in respect of an Adhering Party and a Revocation Notice delivered to AusPayNet by it, the date specified as such in the Revocation Notice. Such date shall be no earlier than the date on which the Revocation Notice is delivered to AusPayNet in accordance with clause 1.5 ("Adherence is irrevocable") of this Protocol.

**Revocation Notice** means a notice substantially in the form of Exhibit 2 to this Protocol.

**Value** means, in the context of Cash, its face value.

## 10.2 General interpretation

Headings are for convenience only and do not affect interpretation. Unless the contrary intention appears, in this Protocol:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a document includes any agreement or other legally enforceable arrangement created by it (whether the document is in the form of an agreement, deed or otherwise);
- (c) a reference to a document also includes any variation, replacement or novation of it;
- (d) the meaning of general words is not limited by specific examples introduced by "including", "for example", "such as" or similar expressions;

- 
- (e) a reference to “**person**” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority or any other entity or organisation;
  - (f) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
  - (g) a reference to a time of day is a reference to Sydney time;
  - (h) a reference to dollars, \$ or A\$ is a reference to the currency of Australia;
  - (i) a reference to “**law**” includes common law, principles of equity and legislation (including regulations);
  - (j) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;
  - (k) a reference to “**regulations**” includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations);
  - (l) an agreement, representation or warranty in favour of 2 or more persons is for the benefit of them jointly and each of them individually;
  - (m) an agreement, representation or warranty by 2 or more persons binds them jointly and each of them individually but an agreement, representation or warranty by AusPayNet binds AusPayNet individually only;
  - (n) a reference to a group of persons is a reference to any 2 or more of them jointly and to each of them individually;
  - (o) a reference to any thing (including an amount) is a reference to the whole and each part of it;
  - (p) a period of time starting from a given day or the day of an act or event, is to be calculated exclusive of that day;
  - (q) if a party must do something under this Protocol on or by a given day and it is done after 5.00pm on that day, it is taken to be done on the next day.

**EXECUTED** as a deed poll in favour of each Adhering Party from time to time

**SIGNED, SEALED AND DELIVERED** by **AUSTRALIAN PAYMENTS NETWORK LIMITED** in accordance with Section 127 Corporations Act 2001:

.....  
(Signature of Secretary)

.....  
(Signature of Director)

.....  
(Full name of signatory)

.....  
(Full name of signatory)



# Cash Ownership and Security Protocol

## Exhibit 1 – Form of Adherence Letter

[Letterhead of Adhering Party]

*[Note: each Cash Handler and Customer with Cash in a Mixed Cash Pool must execute a separate Adherence Letter.]*

[Date]

Australian Payments Network Limited (“**AusPayNet**”)  
Attention: ACDES Secretary  
Suite 2, Level 17  
Grosvenor Place, 225 George Street  
Sydney NSW 2000

By email: info@auspaynet.com.au

### CASH OWNERSHIP AND SECURITY PROTOCOL – Adherence

The purpose of this letter is to confirm our adherence to the Cash Ownership and Security Protocol as published by AusPayNet on [insert date] (“**Protocol**”), including the Bailment Terms.

This letter constitutes, as between each other Adhering Party that has adhered to this Protocol in accordance with clause 1.2 of the Protocol (“**Other Adhering Party**”) and us, an Adherence Letter as referred to in the Protocol. The definitions and provisions contained in the Protocol are incorporated into this Adherence Letter, which will supplement and form part of the Cash Handling Agreement between us and each Other Adhering Party.

#### 1 Specified Terms

As between each Other Adhering Party and us, the amendments in the Bailment Terms shall apply to each Protocol Covered Agreement to which we are a party, in accordance with the terms of the Protocol and this Adherence Letter. This deed poll and adherence to the Protocol is irrevocable.

We understand that the terms of this Protocol apply to the Protocol Covered Agreement between us and each Other Adhering Party.

#### 2 Customer or Cash Handler

We agree that we are a [“Cash Handler” / “Customer”] for the purposes of the Protocol.

### 3 Contact Details

Our contact details for purposes of this Adherence Letter are:

Name:

Address:

Telephone:

Fax:

We consent to the publication of a copy of the Protocol by AusPayNet and to the disclosure by AusPayNet of our name as an Adhering Party to the Protocol.

### 4 Benefit and entitlement

Each of AusPayNet and each Other Adhering Party has the benefit of, and is entitled to enforce, the terms of the Protocol and this Adherence Letter even though it is not a party to this letter or, in the case of an Adhering Party, is not a party to a Protocol Covered Agreement at the time this letter is executed and delivered.

Each of AusPayNet and each Other Adhering Party may enforce its rights under the Protocol and this Adherence Letter independently from any other person.

### 5 Limitation of liability and governing law

Without limiting the application of other parts of the Protocol, it is acknowledged that clauses 5, 9 and 10 of the Protocol apply to this letter.

### **[Include only in letter from a Cash Handler]**

### 6 Cash Handler's interest held on trust

*Without limiting any other provision of the Bailment Terms, the Cash Handler holds any interest it has in a Mixed Cash Pool on trust for the Co-owners of the Mixed Cash Pool from time to time for the purposes of securing the payment and performance of the Cash Handler's obligations to each such Co-owner under the Bailment Terms included in any Protocol Covered Agreement in accordance with the Protocol. The extent of each Co-owner's interest in the trust property at any time is the same as the extent of that Co-owner's Entitlement in the Mixed Cash Pool at that time.*

*To the extent permitted by law, the law of the Commonwealth as it applies in that jurisdiction governs this security.]*

**EXECUTED** as a deed poll

[ADHERING PARTY]

*[Insert execution block of Adhering Party.*

*Adhering Party to provide AusPayNet with evidence of signing authority.]*

Place of execution: *[to be inserted]*

## Cash Ownership and Security Protocol

### Exhibit 2 – Form of Revocation Notice

#### [Letterhead of Adhering Party]

**[Date]**

Australian Payments Network Limited  
("AusPayNet") Attention: ACDES Secretary  
Suite 2, Level 17  
Grosvenor Place, 225 George Street  
Sydney NSW 2000

By email: info@auspaynet.com.au

#### **CASH OWNERSHIP AND SECURITY PROTOCOL – Designation of Revocation Date**

The purpose of this letter is to notify you that we wish to designate *[insert date, being no earlier than the date on which the Revocation Notice is delivered to AusPayNet]* as the Revocation Date in respect of us.

This letter constitutes a Revocation Notice as referred to in the Protocol.

We consent to the publication of a copy of this letter by AusPayNet on and after the Revocation Date and to the disclosure by AusPayNet of the contents of this letter.

Without limiting the application of other parts of the Protocol, it is acknowledged that clauses 5, 9 and 10 of the Protocol apply to this letter.

Yours faithfully,

[ADHERING PARTY]

*[Insert execution block of Adhering Party.]*

*Adhering Party to provide AusPayNet with evidence of signing authority.]*

## Cash Ownership and Security Protocol

### Exhibit 3 – Bailment Terms

#### 1 Cash Handler's interest in a Mixed Cash Pool

The Cash Handler and the Customer acknowledge and agree that:

- (a) the Customer's Cash is held by the Cash Handler for safekeeping in a Mixed Cash Pool at an Approved Cash Centre on the terms of these Bailment Terms;
- (b) the Cash Handler holds Cash in a Mixed Cash Pool as bailee for the Customer and each other Co-owner as joint bailors;
- (c) other than as a bailee in accordance with these Bailment Terms:
  - (i) the Cash Handler does not have any right, title or interest in a Mixed Cash Pool; and
  - (ii) all right, title and interest in a Mixed Cash Pool remains with the Co-owners,

except if, and only to the extent that, the Cash Handler is a Co-owner of the Mixed Cash Pool;
- (d) the Customer has a legal and equitable co-ownership interest in a Mixed Cash Pool;
- (e) neither the arrangements contemplated in these Bailment Terms, nor any other arrangements in respect of a Mixed Cash Pool, constitute a loan or other borrowing.

The acknowledgements and agreements above apply notwithstanding:

- (i) that a Mixed Cash Pool is physically held in an Approved Cash Centre;
- (ii) that third parties may have access to a Mixed Cash Pool; and
- (iii) any act or omission or any other thing which might otherwise affect them under law or otherwise. For example, the rights, liabilities and interests of the Customer and other Co-owners are not affected by the Insolvency of any person including the Cash Handler or any Co-owner.

The Cash Handler represents and warrants that there is nothing in any agreement to which it is a party which is inconsistent with sub-clauses (a) to (e).

## **2 Dealings by Customer and other Co-owners**

### **2.1 Customer's Entitlement**

The Customer and the Cash Handler agree that, at any time, the extent of the Customer's co-ownership interest in a Mixed Cash Pool as a whole is the proportion that:

- (a) the Cash which the Customer has deposited in, and not withdrawn from, the Mixed Cash Pool at that time,

bears to:

- (b) the aggregate value of the Cash in the Mixed Cash Pool at that time, (the extent of such interest being the "**Customer's Entitlement**").

### **2.2 Dealings by Customer**

- (a) Each of the Cash Handler and the Customer acknowledge that the Customer may deal with, remove, take delivery or dispose of Cash in a Mixed Cash Pool, in so far as the amount of Cash does not exceed the Customer's Entitlement at the time of the dealing, removal, delivery or disposal.
- (b) In connection with dealings in accordance with paragraph (a), on the Customer's request, the Cash Handler must deliver up to the Customer, or as the Customer otherwise directs, notes and coins from the Mixed Cash Pool of the same denomination and Value as those the Customer has deposited in, and not withdrawn from, the Mixed Cash Pool from time to time.

### **2.3 Dealings by other Co-owners**

The Customer consents to any dealing with, removal, delivery or disposal of Cash in a Mixed Cash Pool by any other Co-owner, in so far as the Cash does not exceed the Co-owner's Entitlement in the Mixed Cash Pool at the time of the dealing, removal, delivery or disposal.

The Co-owner's Entitlement is the extent of that Co-owner's co-ownership interest in the Mixed Cash Pool as a whole at any time, being the proportion that:

- (a) the Cash which the Co-owner has deposited in, and not withdrawn from, the Mixed Cash Pool at that time;

bears to:

- (b) the aggregate value of the Cash in the Mixed Cash Pool at that time.

## 2.4 References to 'deposit' and 'withdraw'

A reference in this clause 2 ("Dealings by Customer and other Co-owners") to a deposit or withdrawal by a person includes a deposit or withdrawal by way of an exchange of Cash from one Co-owner to another Co-owner through an Intra-Pool Transfer (as defined in the ACDES Procedures) or a physical transfer of Cash.

---

## 3 Duties of Cash Handler

### 3.1 Duties

The Cash Handler must, at all times:

- (a) ensure that, where the Customer is an Authorised Deposit-taking Institution, each other Co-owner of a Mixed Cash Pool is also an Authorised Deposit-taking Institution;
- (b) only use or otherwise deal with a Mixed Cash Pool in accordance with these Bailment Terms;
- (c) safeguard and maintain the Cash in a Mixed Cash Pool and protect the Customer's Entitlement to the Mixed Cash Pool, including:
  - (i) keeping the Cash in the Mixed Cash Pool in substantially the same condition as when it received delivery of that Cash;
  - (ii) protecting the Mixed Cash Pool from any Loss;
  - (iii) not doing anything that might lower the value of the Mixed Cash Pool;
- (d) deal with a Mixed Cash Pool in a manner which is consistent with the Customer's co-ownership interest in the Mixed Cash Pool, including ensuring that:
  - (i) the amount in the Mixed Cash Pool is never less than the total of the cash which the Cash Handler may, on request, be obliged to deliver from the Mixed Cash Pool to all Co-owners; and
  - (ii) the Cash Handler is able to deliver up possession of Cash representing the Customer's Entitlement on request by the Customer; and
- (e) immediately notify the Customer if there is Loss to a Mixed Cash Pool.

### 3.2 Protecting a Mixed Cash Pool

Except as expressly permitted by these Bailment Terms, without the Customer's consent, the Cash Handler may not, and may not agree to, do any of the following:

- (a) sell or dispose of a Mixed Cash Pool or any part of it;
- (b) part with possession of a Mixed Cash Pool or any part of it;
- (c) waive any of the Cash Handler's rights in connection with a Mixed Cash Pool;
- (d) create or allow to exist an Encumbrance over or in connection with a Mixed Cash Pool, other than by virtue of the bailment in accordance with these Bailment Terms and the trust referred to in clause 7 ("Cash Handler's interest held on trust") of these Bailment Terms;
- (e) remove any identification marks from any of the Cash in a Mixed Cash Pool;
- (f) commingle any of the Cash in a Mixed Cash Pool with Cash that is not in that Mixed Cash Pool; or
- (g) deal in any other way with a Mixed Cash Pool, or allow any interest in a Mixed Cash Pool to arise or be varied, which is inconsistent with this Protocol.

### 3.3 Risk

The Cash Handler bears the entire risk of Loss arising in connection with the possession, use and storage of the Cash in a Mixed Cash Pool from the time it obtains that Cash.

### 3.4 Adherence by other customers

Each Cash Handler agrees to procure that each Co-owner adheres to the Protocol by execution and delivery to AusPayNet of an Adherence Letter as soon as is reasonably practicable.

## **4 Requirement of record**

### **4.1 Maintenance of record**

The Cash Handler must maintain a record of the denominations and total Value of the Customer's Entitlement to a Mixed Cash Pool, including:

- (a) the amount and denomination of all the Customer's Cash received for placement in the Mixed Cash Pool; and
- (b) the amount and denomination of Cash removed from the Mixed Cash Pool for delivery to the Customer or as the Customer otherwise directs.

### **4.2 Provision of record**

On request from the Customer, and at the Cash Handler's expense, the Cash Handler will promptly provide the Customer with a report of:

- (a) the total Value and denomination of the Customer's Entitlement retained in a Mixed Cash Pool; and
- (b) the aggregate Value of Cash in any such Mixed Cash Pool.

### **4.3 Confirmation**

The Cash Handler will provide the Customer with written confirmation at the end of each calendar quarter that the Cash Handler has dealt with a Mixed Cash Pool in accordance with these Bailment Terms and in a manner which is consistent with the Customer's co-ownership interest in the Mixed Cash Pool at all times during that calendar quarter.

## **5 Right to possession**

The Cash Handler's right to possess Cash representing the Customer's Entitlement to a Mixed Cash Pool terminates immediately when the first of the following events occur:

- (a) a dealing with, removal, delivery or disposal of the Cash in accordance with clause 2 ("Dealings by Customer and other Co-owners");
- (b) the Cash Handler's default under these Bailment Terms or the Cash Handling Agreement;
- (c) the Cash Handler becoming Insolvent;
- (d) the termination of the Cash Handling Agreement.



Following the occurrence of an event referred to in paragraphs (b) to (d) above, the Cash Handler must deliver up the Cash in accordance with clause 2.2 ("Dealings by Customer").

## 6 Indemnity

The Cash Handler indemnifies the Customer against, and agrees to reimburse and compensate it for, any liability or Loss arising from, and any Costs incurred in connection with:

- (a) **(non-compliance)** the Cash Handler not complying with any of its obligations under these Bailment Terms or an acknowledgement or agreement by the Cash Handler in these Bailment Terms being incorrect or misleading (including by omission) when made or taken to be made; and
- (b) **(exercise of rights)** the Cash Handler exercising, enforcing or preserving rights, powers or remedies in connection with these Bailment Terms (or considering doing so).

The amounts payable under this clause include any liability or Loss and any Costs of the kind referred to in this indemnity which are incurred by the Customer or any attorney appointed by the Customer under these Bailment Terms.

The Cash Handler agrees to pay amounts due under this clause within 2 Business Days of demand from the Customer.

## 7 Cash Handler's interest held on trust

The Cash Handler acknowledges that, pursuant to its Adherence Letter and without limiting any other provision of these Bailment Terms:

- (a) the Cash Handler holds any interest it has in a Mixed Cash Pool on trust for the Co-owners of the Mixed Cash Pool from time to time for the purposes of securing the payment and performance of the Cash Handler's obligations to each Co-owner under the Bailment Terms included in any Protocol Covered Agreement in accordance with the Protocol; and
- (b) the extent of each Co-owner's interest in the trust property at any time is the same as the extent of that Co-owner's Entitlement in the Mixed Cash Pool at that time.

## **8 Personal Property Securities Act**

### **8.1 PPSA further steps**

If the Customer determines that the Protocol, these Bailment Terms or an Adherence Letter of the Cash Handler (or a transaction in connection with any of them) is or contains a security interest for the purposes of the PPSA, the Cash Handler agrees to do anything the Customer, the Co-owners or a nominee of them reasonably asks (such as obtaining consents, signing and producing documents and getting documents completed and signed) to:

- (a) ensure that the security interest is enforceable, perfected (including, where possible, by control in addition to registration) and otherwise effective; or
- (b) enable the Customer or Co-owners, or their nominee, to apply for any registration, or give any notification, in connection with the security interest so that the security interest has the priority required by the Customer (including a registration for whatever collateral class the Customer thinks fit and the Cash Handler consents to any such registration or notification and agrees not to make an amendment demand); or
- (c) enable the Customer or Co-owners (as applicable) to exercise rights in connection with the security interest.

### **8.2 Exclusion of PPSA provisions**

To the extent the law permits:

- (a) for the purposes of sections 115(1) and 115(7) of the PPSA:
  - (i) a Co-owner need not comply with sections 95, 118, 121(4), 125, 130, 132(3)(d) or 132(4); and
  - (ii) sections 142 and 143 are excluded;
- (b) for the purposes of section 115(7) of the PPSA, a Co-owner need not comply with sections 132 and 137(3);
- (c) if the PPSA is amended after the date of the Protocol to permit the Cash Handler and a Customer or all the Co-owners to agree to not comply with or to exclude other provisions of the PPSA, the Customer and all the Co-owners, or their nominee, (as applicable) may notify the Cash Handler that any of these provisions is excluded, or that the Customer or all the Co-owners, or their nominee, need not comply with any of these provisions as notified to the Cash Handler by all the Co-owners; and

- (d) the Cash Handler agrees not to exercise its rights to make any request of a Co-owner or any nominee of the Co-owners under section 275 of the PPSA, to authorise the disclosure of any information under that section or to waive any duty of confidence that would otherwise permit non-disclosure under that section.

### 8.3 Exercise of rights by a Co-owner

If a Co-owner exercises a right, power or remedy in connection with the Protocol, these Bailment Terms or an Adherence Letter of the Cash Handler, that exercise is taken not to be an exercise of a right, power or remedy under the PPSA unless the Co-owner states otherwise at the time of exercise. However, this clause does not apply to a right, power or remedy which can only be exercised under the PPSA.

### 8.4 No notice required unless mandatory

To the extent the law permits, the Cash Handler waives:

- (a) its rights to receive any notice that is required by:
  - (i) any provision of the PPSA (including a notice of a verification statement); or
  - (ii) any other law before a secured party or Receiver exercises a right, power or remedy; and
- (b) any time period that must otherwise lapse under any law before a secured party or Receiver exercises a right, power or remedy.

If the law which requires a period of notice or a lapse of time cannot be excluded, but the law provides that the period of notice or lapse of time may be agreed, that period or lapse is one day or the minimum period the law allows to be agreed (whichever is the longer).

However, nothing in this clause prohibits a Co-owner or any Receiver from giving a notice under the PPSA or any other law.

## 9 Inconsistent terms

If a provision of these Bailment Terms is inconsistent with another provision of the Protocol Covered Agreement, the provisions of these Bailment Terms prevail to the extent of the inconsistency.

These Bailment Terms set out the provisions relating to the ownership and control of cash which have been agreed between the Cash Handler and a Customer of the holding of Cash in a Mixed Cash Pool. Any additional terms that may be implied under general law by virtue of any bailment created under these Bailment Terms are excluded to the extent they are not incorporated into these Bailment Terms.

---

**10 Definitions and Interpretation**

Clause 10 of the Protocol (“Definitions and interpretation”) applies to these Bailment Terms and forms part of these Bailment Terms for the purpose of construing these Bailment Terms. To the extent permitted by law, the law of the Commonwealth as it applies in that jurisdiction governs this security.