



ASX releases Guidance Note 17: AQUA Product Labels and Naming Considerations, Transitional Arrangements for existing AQUA Products and updated application documents for prospective AQUA Products

Background

In March 2024, ASX announced that changes to the ASX Operating Rules relating to the naming of exchange traded products had received regulatory clearance and would become effective on Monday, 15 April 2024. That announcement can be viewed [here](#). These amendments relate to ASX's implementation of ASIC's expectations about product labels and naming considerations outlined in ASIC Information Sheet 230.

Guidance Note 17: AQUA Product Labels and Naming Considerations

Guidance Note 17 has been drafted to assist issuers of existing and prospective AQUA Products to understand the new AQUA Rules relating to product labelling, and ASX's approach to assessing whether an ETP is 'generally true-to-label'. One of the key objectives of the new naming conventions is to ensure consistency of application of product labels across all exchange traded products admitted to Australian securities exchanges.

Guidance Note 17: AQUA Product Labels and Naming Considerations will become effective on 15 April 2024. A copy of this Guidance Note can be downloaded [here](#).

AQUA Product Issuers must consider whether they need to make changes to the names of their existing AQUA Products and, if so, make those changes within the 12-month

Migration Period^[1] (ending 15 April 2025). ASX has made some preliminary approaches to AQUA Product Issuers over the last 12 months but AQUA Product Issuers are reminded that it is their obligation to take all necessary steps to comply with the new Rules. ASX recommends that existing AQUA Product Issuers reach out to Investment Products Compliance early to determine if the names of their AQUA Products require changes.

Issuers of **prospective AQUA Products** will need to name their products consistently with INFO 230 and Guidance Note 17.

Information for existing AQUA Products

Migration Arrangements for existing AQUA Products

(a) Migration Period

ETFs and Exchange Traded Managed Funds (ETMFs) that have been admitted to Trading Status will have a 12-month migration period, starting on 15 April 2024 to make any necessary changes to migrate to the new naming convention. The migration period will end on 15 April 2025, meaning all AQUA Products must comply with the new naming convention by close of business 15 April 2025.

AQUA Product Issuers should engage with Investment Products Compliance before finalising documents or announcements regarding name changes for the purposes of achieving an efficient and consistent migration and to avoid further changes if the new name is not consistent with the new rules. ASX also expects that AQUA Product Issuers that have determined that no change is necessary will advise Investment Products Compliance of that conclusion as soon as possible.

ASX expects that AQUA Product Issuers who change the name of an existing AQUA Product will lodge an ASX market announcement via the market announcements platform together with an updated disclosure document and a short summary explaining the name change to assist recipients in understanding the reason for the change. ASX will reflect name changes and descriptors in ASX systems accordingly.

(b) Changes to admission status

The migration arrangements under Rule 10A.11 are intended to facilitate the transition of existing ETMFs to ETFs in an orderly fashion by way of back-end system updates, without the need for the removal and readmission of existing AQUA Products to Trading Status.

Prior to market open on Monday 15 April 2024, all ETMFs admitted to Trading Status will convert from Managed Fund Units admitted to Trading Status to ETF Securities admitted to Trading Status.

Note: the security type of all ETMFs admitted to ASX prior to 15 April 2024 in ASX's securities management system (nCore) will remain Security Type -36, but the label of Security Type 36 will change from "Trading Managed Fund Units" to "ETF Securities" (see here for more details). All ETF Securities admitted to ASX after this date will be set up using Security Type 7 – ETF Securities.

(c) Conditions of admission and approval

Any conditions of admission relating to the name or label of an existing AQUA Product will continue until the name is migrated to the new convention. ASX may advise an AQUA Product Issuer of any necessary variations or modifications to existing conditions of admission or approval to facilitate the migration of an existing AQUA Product to the new naming convention.

For more information on the process of changing an AQUA Product's name, please refer to the ASX guide which can be accessed [here](#).

Information for existing AQUA Product applicants

ASX has updated the AQUA Product Issuer, ETF Securities and Structured Products application forms and checklists and the Legal Certification template (referred to as Annexure B2) to reflect the new Rules and Procedures. These can be downloaded [here](#):

- AQUA Product Issuer application form and checklist
- ETF Security application form and checklist
- Structured Product application form and checklist
- Legal Certification template

Effective date

The new and updated materials referred to in this notice will become effective on **15 April 2024**.

Need more information?

AQUA Product Issuers of **existing AQUA Products** should read out to [Investment Products Compliance](#) for further information.

AQUA Product Issuers of **prospective AQUA Products** should read out to [Investment Products Admissions](#) for further information.

Issued by

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If you have any questions in the meantime please don't hesitate to contact us.

Kind regards,
ASX Investment Products

[1] As defined in Rule 10A.11



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