ASX 24 OPERATING RULES

SECTION 4   ORDER ENTRY AND EXECUTION, DISPLAY, REPORTING AND SERVICES

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PART 4A   ORDER ENTRY AND EXECUTION

General Rules Relating to the Trading Platform

[4000]   The Trading Platform is operated by the Market Operator.
Amended 20/03/17

Session States

[4010]   The Market Operator may place a Trading Platform into a Session State with respect to trading in one or more Products. Without limiting the generality of this provision, the Market Operator may place an Execution Service or Quote Display Service into different Session States with respect to trading in different Products at the same time.
Amended 20/03/17

[4011]   The Market Operator will use reasonable endeavours to notify Trading Participants (by message or code displayed in the relevant Trading Platform or in such other reasonable manner as the Market Operator considers appropriate) which Session State is in force in respect of trading in a particular Product at all times during which a Trading Platform is operating in respect of such Product.
Amended 20/03/17

[4012]   Trading Participants acknowledge that entry and maintenance of Trading Messages and dealing in a Trading Platform will occur subject to the parameters in respect of the Session State in force in respect of the relevant Product from time to time.

[4013]   The parameters applicable during particular Session States are set out in the Procedures. Unless the Market Operator notifies Trading Participants otherwise (by message or code displayed in the relevant Trading Platform or such other means as the Market Operator considers appropriate), Session States shall apply in respect to Trading in a Trading Platform in Products at the times set out in the Procedures.
Amended 20/03/17

Procedure 4013 – Session States

For the purposes of Rule [4013] the parameters applicable during particular Session States are as follows:

Session State	Parameters
Pre_Open	• There will be a Pre-Opening Phase prior to the commencement of Open Trading; • Only individual Limit Orders at a specified price may be entered, amended or cancelled in the Trading Platform. Strategy Orders may not be entered; • Bids and Offers remaining in the Trading Platform from the previous Session State may be amended or cancelled; • Bids and Offers remaining in the Trading Platform at the commencement of the Session State retain their ranking In Price/Time Priority; • No Bids or Offers will be matched until the Open.
Open	• An Auction is conducted on commencement of the Session State. Qualifying Bids and Offers that have not been matched in the Auction on transition to the Session State retain their ranking In Price/Time Priority; • Bids and Offers may be entered, amended or cancelled in the Trading Platform; • Bids and Offers are matched in Price/Time Priority on a continuous basis.
Close	• No Trading Messages may be entered or amended in the Trading Platform and no matching or Auctions take place. At a time after the Close, all Orders that have not traded or have not fully traded and are not designated as GTC and GTD shall lapse and be purged from the Trading Platform.
Reg_Halt	• There shall be a Regulatory Halt Phase for specified Markets as determined by the Market Operator from time to time. At the commencement of the Regulatory Halt Phase, all orders that are Spread Orders or User Defined Strategy Orders that are legged into a contract subject to a Regulatory Halt shall be purged from the Trading Platform. During the Regulatory Halt no new orders can be entered into the Trading Platform. A Regulatory Halt will be followed by A Pre_Open Phase of 2 minutes.
Technical Halt	• At the commencement of the Technical Halt Phase, all orders that are Spread Orders or User Defined Strategy Orders that are legged into a contract subject to a Technical Halt shall be purged from the Trading Platform. During the Technical Halt no new orders can be entered into the Trading Platform.
Maintenance	• Relevant Orders are purged. Expired instruments are deleted.

Amended 26/05/14, 20/03/17

Expressions Of Interest

[4019]   Expressions of Interest must be entered as specified in the Procedures.
         Introduced 20/03/17

Procedure 4019 – Expressions of Interest

1.   An Expression of Interest is an enquiry made by a Client to obtain the current market in a particular contract or for volume available at a certain price. It is not a firm order to buy or sell. This rule is intended to provide for the situation where a market is not available (on the screen) for a particular product. If a market is on screen, as would normally be the case for a liquid product such as the spot Ten Year Commonwealth Treasury Bond contract, the Participant may pass this information on to the Client, without being required to send a message.

2.   Upon receipt of an Expression of Interest a Participant is required to broadcast that interest to the entire market via the Trading Platform by using the "Request for Quote" facility.

3   Under no circumstances may a Participant send its interest to one or more selected Participants unless the same details of that Expression of Interest have been broadcast to "All Users".

4.   An Expression of Interest is only valid when the market is open. Therefore, although it is possible to make an Expression of Interest broadcast outside trading hours, it must be broadcast again upon the open of the trading session to ensure the widest possible audience.

5.   A Participant may make enquiries regarding that Expression of Interest amongst other market Participants to the extent that the Expression of Interest has been broadcast to the market. However, only information that has been disclosed to the entire market may be disclosed to other market Participants. It is a breach of the Operating Rules to disclose details of an Expression of Interest that have not been broadcast to the market.

6.   A Participant cannot trade on an Expression of Interest until the Client gives a definite instruction to buy and sell. Failure to receive a firm order prior to executing a trade would be considered Post Allocation and therefore, prohibited by the ASIC Market Integrity Rules.

Introduced 20/03/17

Order Types

[4020] Bids and Offers may only be entered in a Trading Platform using the following order types:

(a) Standard Orders; and

(b) Strategy Orders;

as specified in the Procedures.

Amended 20/03/17

Procedure 4020 – Order Types

For the purposes of Rule [4020] the Order Types are:

(a) Standard Orders being Orders involving a single Bid or Offer or an instruction to amend a Single Bid or Offer which are:

(i) Limit Orders – being Orders entered with a limit price that can trade anywhere up to and including that price; or

(ii) Market To Limit Orders – being Orders that trade at the best opposing price and if not completely filled will rest there as a Limit Order with the remaining volume; and

(b) Strategy Orders being Orders involving more than one Bid or Offer or an instruction to amend more than one Bid or Offer which are:

(i) Market Operator Defined Strategy Orders being:

(a) Spread Orders as set out in Procedure 4022(a)(i); or

(b) Strip Orders as set out in Procedure 4022(a)(ii).

(ii) User Defined Strategy Orders being:

(a) Fixed Leg Price Combinations as set out in Procedure 4022(b); or

(b) Net Price Combinations as set out in Procedure 4022(b).

Introduced 20/03/17

Standard Order Requirements – Mandatory and Optional

[4021]   A Trading Participant, when entering a Bid or Offer in a Trading Platform using a Standard Order:

(a)   must comply with the mandatory requirements for the relevant Standard Order set out in the Procedures;

(b)   may also comply with the optional requirements for the relevant Standard Order set out in the Procedures.

Amended 20/03/17

Procedure 4021(a) – Standard Order Requirements – Mandatory

For the purposes of Rule [4021] the mandatory order requirements are:

(a)   Commodity or Security Code;

(b)   Quantity;

(c)   Buy or Sell;

(d)   Account Type;

(e)   Account Identifier – when entering an Order into the Trading Platform the application of the Account Identifier should correspond to the Client for whom the order relates except in circumstances where the Order represents an Aggregated Order (as permitted under ASIC ASX 24 Market Integrity Rule 3.1.6, 3.3.1 and 3.4.1(d)), where the Order is a principal Order in which case the Account Identifier should relate to the Trading Participant's relevant principal account or where the Trading Participant can demonstrate to the satisfaction of the Market Operator that circumstances existed which prevented it from doing so and in which case it must, within 10 minutes of the Order being entered into the Trading Platform, either update the Account Identifier for the Order on the Trading Platform or if already executed centrally record the Account Identifier in its systems along with the corresponding Order identifier from the Trading Platform and be able to provide it to the Market Operator immediately on request; and

(f)   Regulatory Data information required by the MIRs.

Note: there are currently no MIR requirements.

Introduced 20/03/17

Procedure 4021(b) – Standard Order Requirements – Optional

For the purposes of Rule [4021] the optional Order requirements are:

OPTIONAL ORDER CONDITIONS	
ALLOWED TIME CONDITIONS	
FOK – Fill Or Kill	The Order is filled immediately if the order can be fully filled, if not the order is cancelled.
GFD – Good For Day	The Order is valid for the current session.
GTC – Good Till Cancel	The Order is valid until explicitly cancelled.
GTD – Good Till Date	The Order is valid until a specified date. The date is specified in Valid Till Date.
GTT – Good Till Time	The Order is valid until a specified time.
IOC – Immediate Or Cancel	The Order fills against available quantity and any remaining unfilled volume is cancelled.
ALLOWED VOLUME CONDITIONS	
Not applicable	
UNINTENTIONAL CROSSING PREVENTION	
UCP – Unintentional Crossing Prevention	An optional Order designation that can be provided on entry of Bids and Offers into the Trading Platform. Opposing Orders from the same Trading Participant, with matching crossing key designations, will be removed from the Order book and a Booking Report which is a report intended for administrative purposes such as accounting and back office processing will be provided to the Trading Participant. Booking Reports will not be included in market data and trading statistics.

Order Type Behaviour Matrix

Order Type/Time Condition	Futures	Options	Spreads (Market Operator Defined Strategy Orders)	UDC's (User Defined Strategy Orders)
Limit	✓	✓	✓	✓
Market-To-Limit[1]	✓	✓	✓	✓
GFD	✓	✓	✓	✓
GTC	✓	✓	X	X
FOK[1]	✓	✓	✓	✓
IOC (FAK)[1]	✓	✓	✓	✓
GTD (Good Till Date)	✓	✓	X	X
GTT (Good Till Time)	✓[2]	✓[2]	X	X

[1] Not permitted during Auction
[2] Orders purged on change of Session State

Introduced 20/03/17

Strategy Orders Requirements – Market Operator Defined and User Defined

[4022] A Trading Participant, when entering a Bid or Offer in a Trading Platform using a Strategy Order must comply with the requirements for the relevant Strategy Order as set out in the Procedures.

Introduced 20/03/17

Procedure 4022(a)(i) – Market Operator Defined Strategy Order – Spread Orders

(a) Procedures for Intra-Commodity Spread Orders

1　A Trading Participant specifies the quantity of Futures Contracts bid or offered and the price differential when entering an Intra-commodity Spread order.

2　A bid will be buying the near month and selling the far month, an offer will be selling the near month and buying the far month.

3　An Intra-commodity Spread order when executed will be filled for both legs by the Trading Platform simultaneously with equal volume.

4　The Intra-commodity Spread market is fully interactive with the underlying market.

5　An Intra-commodity Spread order, if and when matched by the Trading Platform, may trade with other spread orders or orders from the underlying market.

6　When an Intra-commodity Spread order is matched with another Intra-commodity Spread order the Trading Platform will use the spread trade price algorithm to determine the proceeds of the individual legs, as detailed below.

7　As per ASIC Market integrity Rules each individual leg of an Intra-Commodity Spread is allocated to the same account.

(b) Procedures for Inter-commodity Spread Orders and Inter-Regional Spread Orders

1　A Trading Participant specifies the quantity of the spread bid or offered and the price differential when entering an Inter-commodity Spread or Inter-regional Spread order.

2　Inter-commodity Spread or Inter-regional Spread markets pre-defined by the Market Operator shall be at a ratio of one to one unless otherwise defined by the Market Operator from time to time.

3　If an Inter-commodity Spread or Inter-regional Spread order is traded at a volume ratio then one lot of an Inter-commodity Spread or Inter-regional Spread order shall be, if and when matched, matched at the pre-defined volume ratio for the individual legs.

4　An Inter-commodity Spread or Inter-regional Spread order will be filled for both legs automatically by the Trading Platform simultaneously with the pre-defined volume ratio when matched.

5　The Inter-commodity Spread order or Inter-regional Spread order is interactive with the underlying market.

6 An Inter-commodity Spread or Inter-regional Spread order, if and when matched by the Trading Platform, may trade with other Inter-commodity Spread or Inter-regional Spread orders or orders from the underlying market.

7 When an Inter-commodity Spread or Inter-regional Spread order is matched with another Inter-commodity Spread or Inter-regional Spread order, the Trading Platform will use the spread trade price algorithm as detailed below to determine the prices of the individual legs.

8 As per ASIC Market integrity Rules each individual leg of an Inter-commodity Spread or Inter-regional Spread is allocated to the same account.

9 An Inter-Commodity Spread order can be traded so that the spot expiry month of one commodity can be spread against an expiry month of another commodity other than the spot expiry month.

(c) Procedures for Butterfly Orders

1 A Trading Participant specifies the quantity of Futures Contracts bid or offered and the price differential when entering a Butterfly order.

2 A Butterfly order consists of buying/selling a quarter month, selling/buying the next quarter month and buying/selling the next quarter month. The ratio for the 90 Day Bank Bill Futures Contract Butterfly is 1:2:1.

3 A bid will be buying the nearest and farthest expiry months and selling the centre month, an offer will be selling the nearest and farthest expiry months and buying the centre month.

4 A Butterfly order when executed will be filled for all legs by the Trading Platform simultaneously with the pre-defined ratio when matched.

5 The Butterfly market is partially interactive with the underlying market.

6 A Butterfly order, if and when matched by the Trading Platform, may trade with other Butterfly orders or orders from the underlying market.

7 When a Butterfly order is matched with another Butterfly order the Trading Platform will use the spread trade price algorithm to determine the proceeds of the individual legs, as detailed below.

8 As per ASIC Market integrity Rules each individual leg of a Butterfly trade is allocated to the same account.

(d) Spread Trade Price Algorithm

The Trading Platform uses the same algorithm to determine the individual leg prices for User Defined Strategy Orders as it does for Spread to Spread Orders.

(e) Specified Tick Ranges

The Specified Tick Ranges are set out in Procedure 2500.

Amended 07/01/13, 26/05/14, 01/12/14, 20/03/17

Procedure 4022(a)(ii) – Market Operator Defined Strategy Order – Strip Orders

Strip Orders are a predefined consecutive strip of underlying futures contracts. The available Strip Orders are as follows:

Packs (a strip of four consecutive futures contracts)

90 Day Bank Bill Futures Contract	Underlying Futures Contracts
White Pack	Spot, Spot + 1, Spot + 2, Spot + 3
Red Pack	Spot + 4, Spot + 5, Spot + 6, Spot + 7
Green Pack	Spot + 8, Spot + 9, Spot + 10, Spot + 11

NZ 90 Day Bank Bill Futures Contract	Underlying Futures Contracts
White Pack	Spot, Spot + 1, Spot + 2, Spot + 3
Red Pack	Spot + 4, Spot + 5, Spot + 6, Spot + 7

Bundles (a strip of up to twelve consecutive futures contracts)

90 Day Bank Bill Futures Contract	Underlying Futures Contracts
2nd Year Bundle	Spot, Spot + 1, Spot + 2, Spot + 3, Spot + 4, Spot + 5, Spot + 6, Spot + 7
3rd Year Bundle	Spot, Spot + 1, Spot + 2, Spot + 3, Spot + 4, Spot + 5, Spot + 6, Spot + 7, Spot + 8, Spot + 9, Spot + 10, Spot + 11

NZ 90 Day Bank Bill Futures Contract	Underlying Futures Contracts
2nd Year Bundle	Spot, Spot + 1, Spot + 2, Spot + 3, Spot + 4, Spot + 5, Spot + 6, Spot + 7

Electricity Strips (a strip of four consecutive futures contracts)

Australian Electricity Base Load Futures Contract – Calendar Quarter	Underlying Futures Contracts
Calendar Year (per State – NSW, VIC, QLD, SA)	March, June, September, December of the Calendar Year denoted by the December expiry.
Financial Year (per State – NSW, VIC, QLD, SA)	September, December, March, June of the Financial Year denoted by the June expiry.

Australian Electricity Peak Load Futures Contract – Calendar Quarter	Underlying Futures Contracts
Calendar Year (per State – NSW, VIC, QLD, SA)	March, June, September, December of the Calendar Year denoted by the December expiry.

Financial Year (per State – NSW, VIC, QLD, SA)	September, December, March, June of the Financial Year denoted by the June expiry.

Australian Electricity Base Load Cap Futures Contract – Calendar Quarter	Underlying Futures Contracts
Calendar Year (per State – NSW, VIC, QLD, SA)	March, June, September, December of the Calendar Year denoted by the December expiry.
Financial Year (per State – NSW, VIC, QLD, SA)	September, December, March, June of the Financial Year denoted by the June expiry.

New Zealand Electricity Base Load Futures Contract – Calendar Quarter	Underlying Futures Contracts
Calendar Year (per Node – Benmore, Otahuhu)	March, June, September, December of the Calendar Year denoted by the December expiry.

Procedures for Strip Orders

1   A Trading Participant specifies the quantity of Strip Order futures contracts bid or offered and the average price when entering the Strip Order.

2   The Market Operator's standard for defining a Strip Order market will be that the first expiry month for that Strip Order market will denote the futures contract month to identify that Strip Order market in the defined market window on the Trading Platform.

3   A Strip Order when executed will be filled for all futures contract legs by the Trading Platform simultaneously with equal volume.

4   The Strip Order market for 90 Day Bank Bill Futures is partially interactive with the underlying market. The Strip Order market for Electricity is not interactive with the underlying market.

5   When a Strip Order is matched with another Strip Order the Trading Platform will use the trade price algorithm to determine the price of the individual futures contract legs, as detailed below.

Strip Order Price Allocation Process

Final futures contract price allocations will be rounded to the nearest 0.005 basis points for Packs and Bundles and $0.01 for Electricity Strips. The Market Operator will present the details of the Strip Order with the associated futures contract leg prices to Participants for Participants' record keeping. The Market Operator will register the allocated futures contract prices in the Market Operator System for clearing.

Futures Contract Leg Price allocation

(a)   The previous Daily Settlement Prices (DSPs) of the underlying futures contract will be used as a starting point and adjusted by a price adjustment factor to achieve an implied Pack or Bundle or Electricity Strip price which approximates the price of the executed underlying futures contracts.

(b)   Price adjustments will be made via a consistent proportional price movement from the DSPs with the exception that the underlying futures

contract with the longest dated expiry will be further adjusted up or down in increments of 0.005 basis points for Packs and Bundles and $0.01 for Electricity Strips to the extent that such adjustment will achieve a more accurate implied Pack or Bundle or Electricity Strip price.

Trading Participants, OTC brokers and market users are responsible for developing their own spreadsheets or other tools should they wish to replicate the futures prices as per the defined process.

6   As per ASIC Market Integrity Rules each individual futures contract leg of a Strip Order is allocated to the same account.

Introduced 01/12/14 Amended 20/03/17, 28/11/17

Procedure 4022(b) – User Defined Strategy Order – Fixed Leg Price Combinations and Net Price Combinations

For the purpose of Rule 4022(b)(i) User Defined Combination Orders may be traded as either:

(a)   Net Price User Defined Combinations, or

(b)   Fixed Leg Price User Defined Combinations

Procedures for User Defined Strategy Orders:

1.   User Defined Strategy Orders allow Trading Participants to create their own multi-legged contingent strategies consisting of up to six (6) legs. User Defined Strategy Orders may consist of either futures or options or a combination of both. User Defined Strategy Orders eliminate legging risk as the order is filled at a user-defined ratio and at specific leg prices for all contingent legs of the order.

2.   Strategy Orders consisting of option orders of seven (7) legs or more and specified Strip Orders are permitted as Block Trade Orders and are to be executed and registered in accordance with Rule 4820.

3.   As per ASIC Market Integrity Rules each individual leg of a User Defined Strategy trade must be allocated to the same account.

4.   No User Defined Strategy Order should have any resemblance to Order functionality which may already exist in the Trading Platform, for example futures spreads that are available. As pre-defined Spread Orders must be executed on the defined market.

5.   No Fixed Leg User Defined Combination should be created where a Net Price User Defined Order exists for the same strategy, contract month(s) and strike prices. In the event that an identical strategy is created, any orders or trades that occur may be cancelled by the Market Operator.

6.   No Net Price User Defined Combination should be created where a Fixed Leg User Defined Order exists for the same strategy, contract month(s) and strike prices. In the event that an identical strategy is created, any orders or trades that occur may be cancelled by the Market Operator.

7.   Prices for the fixed legs of a User Defined Strategy Order must be within the following price limits at the time of order entry:

(a)   The high/low of the Trading Date for the appropriate contract;

(b)   If only a bid or only an offer then the specified tick range from the existing bid or offer (if the bid is below prior settlement then prior settlement may be used, if the offer is above prior settlement then prior settlement may be used);

(c)   If no bid or offer exist, then the specified tick range from the settlement price. In the case of an Option Contract then within the specified tick range from the system generated indicative price;

(d)   For Futures/Options Orders, deltas must be within a range that is set out in Procedure 2500; and

(e)   Where an Anomalous Order Threshold (AOT) applies under Rule 3200, within the applicable AOT range.

(f)   When placing an Order with only two legs, one fixed price and one non-fixed, the price for the non-fixed leg should always be an on-tick price.

8.   All User Defined Strategy Orders must be traded at the lowest common denominator, however the maximum volume that can be used in the volume ratio field is 150 lots.

9.   One exception to this rule is where the User Defined Strategy Order is for an option strategy, which includes two or more option legs in a ratio, and is basis futures. In this situation, the volume may exceed 150 lots only for the one option leg with the larger ratio denomination. This is because available deltas would be restricted otherwise.

10.   Once a strategy has been established as a User Defined Strategy changes to the basis require the user to create a new User Defined Strategy.

11.   Where a bid and offer has been established in the User Defined Strategy, a trade may only be executed between that bid and offer. In the event of only a bid or only an offer, a trade may not be executed where it is lower than the best bid or higher than the best offer.

12.   Trading Participants are advised that should they be aware of an Order that is out of market, they should contact the Market Operator.

13.   All User Defined Strategy Orders are purged at the end of a Trading Day.

14.   When a User Defined Strategy Order is matched, Trading Participants will receive confirmations for each leg of the User Defined Strategy Order at the user defined ratio.

15.   User Defined Strategy Algorithm

The Trading Platform uses the same algorithm to determine the individual leg prices for User Defined Strategy Orders as it does for Spread to Spread Orders.

Note:

•   Where the User Defined Strategy Order is also a Pre-Negotiated Order please refer to Rule 4060 and particularly the requirement to use the Request For Quote Facility (RFQ Facility) which is also a requirement under MIR 3.3.1A of the ASIC (ASX 24 Market) MIRs.

•   Where the User Defined Strategy Order is not a Pre-Negotiated Order the RFQ Facility is not required to be used.

•   Where a Participant is creating a User Defined Strategy (but not entering an Order) the RFQ Facility is not required to be used.

Specified Tick Range

The Specified Tick Ranges are set out in Procedure 2500.

Introduced 20/03/17 Amended 22/03/18, 20/06/18

Excessive Order Limits

[4025]   A Trading Participant must not:

(a)   enter a number of Orders into a Trading Platform; or

(b)   issue a number of Quote Requests,

which is determined by the Market Operator to be excessive as set out in the Procedures.

Amended 20/03/17

Procedure 4025 – Excessive Order Limits

For the purposes of Rule [4025] an excessive number of Orders are a ratio of Orders entered to trades executed that equals or exceeds 50:1. This does not include Orders entered by a Trading Participant (either on its own behalf, on behalf of a Related Body Corporate or a Client of the Trading Participant) which are entered in relation to satisfying the terms of a market maker agreement with the Market Operator and which can be separately identified for that purpose.

There are no guidelines prescribed concerning an excessive number of Quote Requests.

Amended 23/07/18

Priority of Orders

[4030]   Bids and Offers entered into a Trading Platform are ranked In Price/Time Priority, subject to the exceptions set out in the Procedures.

[4031]   The time priority ranking of:

(a)   a Bid or Offer in respect of a Strategy Order is determined by reference to the time the Trading Participant submitted the Bid or Offer;

(b)   an Implied Order is determined by reference to the time a Trading Platform generated the Implied Order.

Introduced 20/03/17

[4032]   Subject to the exceptions specified in the Procedures, if a Trading Participant:

(a)   reduces the quantity of a Bid or Offer in an Execution Service, the amendment does not affect the priority ranking of the Bid or Offer;

(b)   withdraws a Bid or Offer from an Order Book, the Bid or Offer loses its priority ranking. If the Bid or Offer is re-entered, it will be treated as a new Bid or Offer;

(c)   effects any other amendments to a Bid or Offer, the Bid or Offer loses its priority ranking and will, upon amendment, be treated as a new Bid or Offer.

Procedure 4030 – Priority of Orders

For the purposes of Rule [4030] there are no exceptions prescribed.

Terms of Contract – Standard Orders and Strategy Orders

[4040]   Subject to Rule [4041], upon matching in a Trading Platform of Trading Messages in accordance with these Rules, a contract is formed between the Trading Participants whose Trading Messages are matched on the terms of the relevant Contract Series at the price and volume matched and subject to these Rules.

[4041]   Each Trading Participant that is party to a Market Transaction acknowledges that the Clearing Obligations owing to it or by it in respect of that Market Transaction will be performed as principal obligations of the Relevant Clearing Participant in respect of those Clearing Obligations (which may be the counterparty Trading Participant or a Clearing Participant with whom such Trading Participant has a Clearing Agreement).

Additional Terms of Contract – Strategy Orders

[4051]   Each component Market Transaction of a Strategy Order is entered into and each component Bid or Offer ceases to be contingent on each other when each such component Bid or Offer has been matched in the Trading Platform or effected under Rule 4022.

Introduced 20/03/17

Order Negotiation – Pre-Negotiated Orders

[4060]   A Pre-Negotiation of Derivatives Market Contracts may be effected only in the circumstances set out in the Procedures.

Introduced 20/03/17

Procedure 4060 Order Negotiation – Pre-Negotiated Orders

For the purposes of Rule [4060] the following Contracts may only be pre-negotiated as follows:

Contract	Minimum Prescribed Time between RFQ and Entry of Orders: Outright Market	Minimum Prescribed Time between RFQ and Entry of Orders: User Defined Strategy orders	After Prescribed Time has elapsed – time allowed for order execution	Minimum Volume Threshold
Interest Rates				
30 Day Interbank Cash Rate Futures	Not permitted	30 seconds	90 seconds	1 lot
Options on 30 Day Interbank Cash Rate Futures	10 seconds	30 seconds	90 seconds	1 lot
90 Day Bank Accepted Bill Futures	Not permitted	30 seconds	90 seconds	1 lot
Serial & Quarterly Options on 90 Day Bank Accepted Bill Futures	10 seconds	30 seconds	90 seconds	1 lot

Contract	Minimum Prescribed Time between RFQ and Entry of Orders: Outright Market	Minimum Prescribed Time between RFQ and Entry of Orders: User Defined Strategy orders	After Prescribed Time has elapsed – time allowed for order execution	Minimum Volume Threshold
3 Year Commonwealth Treasury Bond Futures	Not permitted	30 seconds	90 seconds	1 lot
Serial & Quarterly Options on 3 Year Commonwealth Treasury Bond Futures	10 seconds	30 seconds	90 seconds	1 lot
3 Year Interest Rate Swap Futures	10 seconds	30 seconds	90 seconds	1 lot
10 Year Commonwealth Treasury Bond Futures	Not permitted	30 seconds	90 seconds	1 lot
Serial & Quarterly Options on 10 Year Commonwealth Treasury Bond Futures	10 seconds	30 seconds	90 seconds	1 lot
10 Year Interest Rate Swap Futures	10 seconds	30 seconds	90 seconds	1 lot
New Zealand 90 Day Bank Bill Futures	Not permitted	30 seconds	90 seconds	1 lot
New Zealand 90 Day Bank Bill Options	10 seconds	30 seconds	90 seconds	1 lot
New Zealand 3 Year Government Stock Futures	Not permitted	30 seconds	90 seconds	1 lot
New Zealand 3 Year Government Stock Options	10 seconds	30 seconds	90 seconds	1 lot
New Zealand 10 Year Government Stock Futures	Not permitted	30 seconds	90 seconds	1 lot
New Zealand 10 Year Government Stock Options	10 seconds	30 seconds	90 seconds	1 lot
New Zealand 30 Day Official Cash Rate Futures Contract	10 seconds	30 seconds	90 seconds	1 lot
Options on 30 Day Interbank Cash Rate Futures	10 seconds	30 seconds	90 seconds	1 lot

Contract	Minimum Prescribed Time between RFQ and Entry of Orders: Outright Market	Minimum Prescribed Time between RFQ and Entry of Orders: User Defined Strategy orders	After Prescribed Time has elapsed – time allowed for order execution	Minimum Volume Threshold
Equity				
SPI 200 Futures	Not permitted	30 seconds	90 seconds	1 lot
SPI 200 Options (quarterly)	10 seconds	30 seconds	90 seconds	1 lot
S&P/ASX 200 Gross Total Return Index Futures Contract	10 seconds	30 seconds	90 seconds	1 lot
S&P/ASX 200 Resources Index Futures Contract	10 seconds	30 seconds	90 seconds	1 lot
S&P/ASX 200 Financial-x-A-REIT Index Futures Contract	10 seconds	30 seconds	90 seconds	1 lot
S&P/ASX 200 A-REIT Index Futures Contract	10 seconds	30 seconds	90 seconds	1 lot
Mini SPI 200 Futures	Not permitted	30 seconds	90 seconds	1 lot
Commodities				
Grain Futures	60 seconds	60 seconds	90 seconds	1 lot
Grain Options	60 seconds	60 seconds	90 seconds	1 lot
Energy				
Australian electricity futures (including cap futures and strip products)	30 seconds	30 seconds	90 seconds	1 lot
Australian electricity options (including strip options)	30 seconds	30 seconds	90 seconds	1 lot
New Zealand Electricity Futures (including strip products)	30 seconds	30 seconds	90 seconds	1 lot
New Zealand Electricity Strip Options	30 seconds	30 seconds	90 seconds	1 lot

Contract	Minimum Prescribed Time between RFQ and Entry of Orders: Outright Market	Minimum Prescribed Time between RFQ and Entry of Orders: User Defined Strategy orders	After Prescribed Time has elapsed – time allowed for order execution	Minimum Volume Threshold
Victorian Wholesale Gas Futures (including strip products)	30seconds	30 seconds	90 seconds	1 lot
Victorian Wholesale Gas Strip Options	30 seconds	30 seconds	90 seconds	1 lot
NZ Gas	30 seconds	30 seconds	90 seconds	1 lot
Wallumbilla Gas	30 seconds	30 seconds	90 seconds	1 lot
Environmental Products				
REC Futures & Options	120 seconds	120 seconds	90 seconds	1 lot

Amended 24/10/11, 14/10/13, 07/04/15, 12/10/15, 21/03/16, 20/03/17, 03/06/19

Trading Procedures

1. Where a Trading Participant receives an Expression of Interest from a Client in a contract that can be executed as pre-negotiated business, the Trading Participant may:

    (a) withhold transmission of the instructions in order to solicit Orders from Clients and other Trading Participants;

    (b) disclose details of Clients' instructions; and

    (c) aggregate Orders received from Clients in satisfaction or part satisfaction of the originating Client Order.

    Once an Expression of Interest becomes an Order the Trading Participant must execute the instructions from the Client in accordance with the Pre-negotiated Rules.

2. Where a Trading Participant receives an instruction from a Client which can be executed as pre-negotiated business, the Trading Participant may:

    (a) withhold transmission of the instructions in order to solicit Orders from Clients and other Trading Participants;

    (b) disclose details of Clients' instructions; and

    (c) aggregate Orders received from Clients in satisfaction or part satisfaction of the originating Client Order.

    The broker is free to withhold the Order, disclose information not known to the rest of the market and pre-negotiate the other side of the Order. An Order may of course still be entered into the market, but it is not a requirement when pre-negotiating business.

3. Once counterparties have been solicited the Trading Participant(s) must enter the Orders on the Trading Platform for execution.

4. Prior to entering the pre-negotiated Orders on the Trading Platform for execution in the relevant contract month or strategy, the Trading Participant holding the

originating Client Order must make an enquiry via the Trading Platform Request For Quote Facility for a market in that contract month or strategy.

5. No pre-negotiated business Order shall be entered into the Trading Platform unless the prescribed period, being not less than 5 seconds or such other time as determined by the Market Operator, has elapsed after the entry of the enquiry. Trading Participants have 90 seconds after the prescribed time has elapsed to execute the pre-negotiated Orders.

6. The request for quote needs to specify all information that is material to the pricing and trading of the orders to be executed. The request for quote should, where applicable, include the following:

    (a) A description of the contract and/or class and series of the options(s) that will form the strategy;

    (b) A description of the intended trade using common market terminology; and

    (c) If the trade involves a ratio of futures or options and/or delta hedge, information that explicitly specifies the ratio and/or delta and the price basis for the hedge in the underlying commodity.

7. If an Order is not pre-negotiated and a Request for Quote is not sent prior to entry of opposing Orders then the Trading Participant must conform with the usual Rules. This includes prohibitions on withholding, disclosure and trading to the exclusion of the market which are set out in the ASIC Market Integrity Rules. If Trading Participants are unsure whether Orders have been pre-negotiated or not they are encouraged to send a Request for Quote and wait the prescribed period before releasing opposing Orders.

8. Following the entry of an enquiry via the Trading Platform Request for Quote Facility, the pre-negotiated Orders must be entered on the Trading Platform for execution immediately after the prescribed period has elapsed. When entering Orders after this prescribed period they can be entered simultaneously, for instance, by 'tagging and releasing' or entry via two separate Terminals at the same time.

9. Where a Trading Participant holds opposing Orders at a particular price, and a market is made following a Request for Quote that touches or overlaps that specific price, then a Trading Participant must trade with the market even if it means missing out on a cross trade. To hold back execution of a client Order that is in market would be inconsistent with client instructions and detrimental to the client's best interests and contrary to ASIC Market Integrity Rules.

10. Definition of Client

    For the purpose of the pre negotiated business facility "a Client" of a Trading Participant which is a corporation shall include a related body corporate as defined in the Corporations Act or a division of the Trading Participant which is separate from that Trading Participant's futures division.

11. Client Authorisation

    See ASIC Market Integrity Rules.

Amended 20/03/17

Removal or Retention of Orders at End of Day

[4070] At the end of each Trading Day unmatched Orders in a Trading Platform will be dealt with as specified in the Procedures.

Procedure 4070 – Removal or Retention of Orders at End of Day

For the purposes of Rule [4070] all unmatched Limit Orders in the Trading Platform will be removed at the end of each Trading Day. GTC orders will remain.

Amended 20/03/17

PART 4B TRADE REPORTING

Exchange for Physical Transactions

[4800] An Exchange for Physical (EFP) consists of two separate but related transactions, being:

   (a)   a Futures Market Transaction; and

   (b)   a transaction in a physical commodity or instrument.

   An EFP may only be effected in accordance with these Rules and the relevant Procedures.

[4801] An EFP may only be entered into where:

   (a)   a genuine transaction in a physical commodity or instrument, as specified in the Procedures, is executed whereby actual physical delivery or cash settlement occurs either at the time the transaction is effected or at a later time as agreed between both parties;

   (b)   at or about the same time as the transaction referred to in paragraph (a) is agreed a Trading Participant or Trading Participants enter into a Futures Market Transaction opposite in effect to the transaction referred to in paragraph (a);

   (c)   the buyer of the Futures Market Transaction in paragraph (b) is the seller of the transaction in paragraph (a) and the seller of the Futures Market Transaction in paragraph (b) is the buyer of the transaction in paragraph (a); and

   (d)   the transaction referred to in paragraph (a) is for the same or substantially similar value or amount of the commodity or instrument, (or a substantially similar commodity or instrument), as the subject of the Futures Market Transaction referred to in paragraph (b) as determined by reference to the Procedures.

[4802] EFPs must be reported to the Market Operator in accordance with this Rule and Rule [3500]. The Futures Market Transaction component of an EFP reported to the Market Operator is only effective once the Market Operator confirms the Futures Market Transaction in accordance with the Procedures and is otherwise satisfied with the EFP. Futures Market Transactions confirmed by the Market Operator will be registered in accordance with this Rule.

Amended 20/03/17

[4803] For the purposes of Rule [4801] an EFP cannot be effected where a Trading Participant acts for a person or party that is transacting as the buyer of both components of the EFP referred to in Rule [4801](a) and (b), or the seller of both components of the EFP referred to in Rule [4801](a) and (b).

[4804] Trading Participants must retain appropriate evidence of transactions entered into under an EFP referred to in Rule [4801].

Procedure 4800 – Exchange for Physical

For the purpose of Rule [4800] EFPs may only be effected as follows:

1.   Transaction in a physical commodity or instrument

An Exchange for Physical (EFP) transaction is effected where:

(a)   a bona fide physical transaction in a commodity, instrument or other transaction as determined by the Market Operator is completed whereby physical delivery takes place at the time of the transaction (immediate settlement) or is intended by both parties to take place at a later time (deferred settlement), or a transaction of a kind approved by the Market Operator, is entered into; and

(b)   at or about the same time a Contract, opposite in effect, is traded for the same or similar quantity or amount of the commodity or a substantially similar commodity or instrument on behalf of the parties to the physical transaction.

There must only be two parties to an EFP - the buyer of the physical commodity or instrument must also be the seller of the Contract and the seller of the physical commodity or instrument must be the buyer of the Contract.

However, this does not prohibit a transaction where:

(i)   both sides are taken by the same Trading Participant where the ultimate Clients are different;

(ii)   both sides are by the same entity but acting in different capacities;

(iii)   each side is for a different division of the same Trading Participant entity which trades separately and for different purposes; or

(iv)   the EFP transaction complies specifically with a scenario as determined by the Market Operator from time to time.

Where a Trading Participant relies on (i), (ii), (iii) or (iv) they must retain satisfactory evidence which demonstrates the nature of the relationship between the parties to the EFP.

The only scenario where the Market Operator will permit an EFP transaction to be conducted under (iv) is where the physical instrument being used for the physical transaction is a S&P/ASX 200 Index Option Contract (XJO option) authorised for Trading on the ASX Trade platform under the ASX Operating Rules. The XJO option must be of Special Size and transacted in accordance with the details prescribed in the table of Accepted Physical Commodities & Instruments in Procedure 4800(2). The transaction must meet the additional electronic registration requirements prescribed for this scenario in the table of Accepted Physical Commodities & Instruments in Procedure 4800(2).

EFP transactions must be conducted in accordance with the Rules and Procedures. EFPs not conducted in accordance with the Rules and Procedures will be subject to cancellation and sanctions imposed by the Market Operator. EFPs are also subject to the ASIC Market Integrity Rules (ASX 24 Market) and the Corporations Act (Cth) 2001 which are enforced by ASIC.

Bona Fide Physical Transaction

A physical transaction is not bona fide if there is a pre-existing intent to reverse or cancel the physical deal once the futures transaction is registered unless the EFP transaction complies specifically with a scenario as determined by the Market Operator from time to time.

The only scenario in which the Market Operator will permit the pre-meditated reversal of the physical side of the transaction is where the EFP specifically relates to a Primary Issuance of bonds into the market. The physical side of the EFPs between the lead managers or facilitating entities that relate directly to the transfer of risk associated with the Primary Issuance will, under this determination, be allowed to be reversed as part of the overall Primary Issuance transaction. Such

EFPs registered with the Market Operator will require reference to be made in the comments field in the registration system stating the name, amount, maturity date, coupon and the lead managers/facilitators of the associated Primary Issue. All other requirements relating to record keeping and evidence of physical transactions must be adhered to.

Whether a physical transaction is bona fide is a question of fact in each case, however, in deciding whether or not a transaction is bona fide, the Market Operator will have regard to the normal dealing conduct and arrangements of the parties in relation to physical transactions generally. All relevant indicia of a bona fide transaction including transfer of cash will be considered.

The Market Operator would expect to see the physical transactions related to EFPs recorded in the same way as any other similar physical transactions conducted by the parties. Instances where reversals or cancellations regularly take place other than in the ordinary course of business will be regarded as evidence of lack of bona fides.

A physical trade between two parties with the intention of being traded back in a reversal of the EFP or in exchange for other futures contracts (such as a roll trade or a curve spread trade) is being used merely as a tool to conduct off-market futures trading and is thus explicitly considered not to be part of a bona fide physical transaction.

2. Accepted physical commodities or instruments and EFP evidence

EFPs must contain a physical component where the commodities or instrument is of a similar value or quantity to the futures or options being traded and be reasonably correlated with the futures or options contract.

The following table provides a list of physical commodities or instruments against which Market Operator listed futures and options on futures contracts can be exchanged. Unless specified in the list below, the physical component of the EFP transaction cannot be an exchange traded futures or options contract.

The table also lists the types of documentation which the Market Operator deems acceptable as evidence of the futures and physical components of an EFP.

The evidence must reflect the same details as the registered EFP transaction and confirm the final position of the parties to the EFP. Documentary evidence not listed in the table may be acceptable, as determined by the Market Operator from time to time.

FUTURES COMPONENT OF EFP
Acceptable evidence of the future
A Futures Statement issued by an ASX Clear (Futures) Participant confirming the futures position resulting from the EFP transaction.

PHYSICAL COMPONENT OF EFP

Market Operator Product	Exchanged for	Examples of acceptable evidence of the physical

Interest Rate Futures and Options on Futures	– Australian Dollar denominated:
	  – Commonwealth Government Securities
	  – Semi-Government Bonds
	  – Corporate Bonds
	  – Bank Accepted Bills of Exchange
	  – Negotiable Certificates of Deposit
	  – Interest Rate Swaps
	  – Forward Rate Agreements
	  – Bonds Options
	  – Caps and Floors
	  – Swaptions
	  – Forward Currency Swaps
	
	– Foreign currency denominated securities equivalent to the above list, which are reasonably correlated to Australian securities are accepted. Exchange for Physical in the following currencies are considered reasonably correlated against Market Operator Interest Rate Futures and Options contracts: New Zealand dollar, US dollar, Canadian dollar, British Pound and Euro denominated securities with a similar present value of a basis point (PVBP) exposure.
		– Bond EFP – evidence from Austraclear (or an equivalent settlement system such as RITS or Euroclear) demonstrating that the bond physical settled between the parties to the EFP.
		
		– Swap EFP – evidence from a trade source system (e.g. MarkitWire) confirming the swap physical is based on an underlying legal agreement (such as an ISDA Master Agreement) between the two parties to the EFP.

SPI 200® Index Futures, Mini SPI 200, and Options on Futures	− Basket of ASX traded stocks in one or more companies where the cash value of the basket of stocks and the notional value of the SPI Futures fall within 10% of each other. − S&P/ASX 200 Index Options Contract (XJO options) that are of Special Size and transacted in accordance with the following sections of Part B of ASX Operating Rule Procedure (ASXORP) 4810: − Section 1; − Section 2 or Section 3; − Section 6; − Section 7; and − Section 8. Trading Participants relying on this scenario must be able to demonstrate that the EFP transaction entered in to has the effect of equal and opposite either as buy and sell transaction and/or offsetting deltas. Where the Trading Participant has aggregated clients on one side of the physical transaction in accordance with Part B, Section 6 of ASXORP 4810, they are reminded that to create a bona fide EFP, the SPI futures Contract must be traded on behalf of the same parties that is opposite in effect to the physical XJO transaction. Trading Participants are required to register such transactions as a single EFP transaction in the electronic registration system, inserting "SPLIT" in to the "Client" name field; and detailing the physical slip number, the name of each client and their allocation of the EFP in the "Comments" field. − OTC Options Market Transactions (as defined in the ASX Clear Operating Rules) in S&P/ASX 200 index options.	− Basket EFP – a statement or extract listing each stock forming the basket and indicating that the basket was transferred between the parties to the EFP. − XJO EFP – an ETO statement from the Client confirming settlement of the XJO Option between the parties to the EFP.
S&P/ASX 200 Gross Total Return Index Futures Contract	Basket of ASX traded stocks in one or more companies where the cash value of the basket of stocks and the notional value of the S&P/ASX 200 Total Return Index Futures Contract fall within 10% of each other.	
Sector Index Futures Contracts	Basket of ASX traded stocks in one or more companies where the cash value of the basket of stocks and the notional value of the relevant Sector Index Futures Contract fall within 10% of each other.	

Grain Futures and Options	− Physical grain or financial instrument pertaining to grain of similar value or quantity.	− A confirmation or equivalent document that can be relied upon to demonstrate that the physical component of the transaction is legally binding between the two parties to the EFP.

Energy Futures and Options	Where the Over The Counter (OTC) component of an EFP is within 10% of the size (eg MWhs / GJ / Tonnage) or value, the following are accepted:
	
	− Australian and New Zealand Electricity:
	  • OTC Swaps, Caps and/or Options against Electricity Futures and/or Futures Options.
	− Australian and New Zealand Gas:
	  • OTC Swaps and/or Options and physical gas against Gas Futures and/or Futures Options
		− Energy EFP – a confirmation based on an underlying ISDA Agreement (or equivalent legally binding agreement), confirming that the physical component of the transaction is legally binding between the two parties to the EFP.

Renewable Energy Certificates (RECs) Futures and Options	− Underlying RECs	− A confirmation or equivalent document that can be relied upon to demonstrate that the physical component of the transaction is legally binding between the two parties to the EFP.

Amended 20/06/11, 24/10/11, 28/05/12, 29/10/12, 14/10/13, 27/12/13, 06/06/14, 07/04/15, 12/10/15, 20/03/17, 03/06/19

3. Multiple Futures and Physical

An Exchange for Physical trade may involve more than one type of futures or physical. The most common EFP involves one type of physical (e.g. a certain number of a particular bond) to be offset against a certain type of futures contract. However a Multiple Futures EFP involves one type of physical and two or more types of futures (e.g. a combination of Ten Year and Three Year Bond Futures or a strip of Bank Bill Futures). Alternatively a Multiple Physical EFP involves two or more types of physical (e.g. bonds of different maturities) and one type of futures. A combination could involve two or more types of futures and two or more types of physical.

4. Price

There are no restrictions regarding the price for futures contracts traded in an EFP. However if the price of the futures were substantially different from that of the current market price the Market Operator would seek good reason as to why the parties wish to trade at this price. In this regard it should be noted that the Market Operator reserves the right to disallow an EFP.

5. Exchange For Physical Registration Times

The order record maintained by a Participant under the ASIC Market Integrity Rules (ASX 24 Market) must evidence the EFP Agreement Time.

An EFP Agreement Time is taken to be one of the following:

(a) Where a Trading Participant has negotiated the terms of the EFP transaction, either on their own behalf or on behalf of their client, the Agreement Time will be the time that the details of the EFP (including the physical and futures components) have been mutually agreed upon by both parties; or

(b) Where a Trading Participant has not negotiated the terms of the EFP transaction, the Agreement Time is taken to be the time that the Trading Participant has been provided with a request to complete the registration process by their client.

Registration times for EFPs are set out in the table below.

EFPs can be registered only up until 5:30pm Sydney Time. EFPs presented for registration after 5:30 pm Sydney Time will be processed on the next business day.

	Seller	Buyer
EFPs agreed between 7:00 am and 4:30 pm	Registered within 30 minutes of the Agreement Time.	Registered within 60 minutes of the Seller completing the registration process. The registration process must be completed by 5:30pm.
EFPs agreed between 4:30 pm and 7:00 am	Registered by 9:00 am.	Registered by 9:30 am.

6. Exchange for Physical Registration Process

Full details of the futures transaction and the physical transaction must be provided to the Market Operator using the electronic registration system for approval or in such other form as determined by the Market Operator. Trading Participants should be aware that failure to comply with the aforementioned may result in the EFP being rejected or enforcement action being taken.

7. Retention of Records

Where a client or the Trading Participant is a party to an EFP transaction, the onus is on the Trading Participant to obtain and keep on record appropriate evidence of the physical and futures components of the transaction. The Market Operator considers that "best practice" is adopted where the Trading Participant obtains and retains evidence of the physical and futures components of an EFP transaction. However, where the Participant is relying on third parties, including Clients and related body corporates, to obtain and retain the records on their behalf they must ensure the arrangements with the third party are adequate to ensure compliance with this Procedure. These arrangements may include, but are not limited to:

(a) Conducting ongoing, periodic reviews of record retention by third parties, including sampling of evidence for EFP transactions;

(b) Where the third party is a Client, obtaining and retaining executed copies of the "Client Undertaking Form" (CUF) prior to transacting EFP business on the Client's behalf, as required under the ASIC Market Integrity Rules (ASX 24 Market). The executed CUF should enable a Participant to retrieve evidence of both the physical and futures component of an EFP transaction from the Client on an "as needs" basis for a period of 5 years following an EFP transaction;

(c) Where the third party is not a party to the EFP the Participant should enter into a Service Level Agreement or equivalent agreement with the third party. This agreement should enable the Trading Participant to retrieve evidence of both the physical and futures component of an EFP transaction on an "as needs" basis for a period of 5 years following an EFP transaction. This situation may arise where the third party is a Client that is a related body corporate where the Client acts, directly or through a chain of entities in the same corporate group, as agent for unrelated end user clients.

8. Acceptance of an EFP by the Market Operator does not constitute acceptance that the trade has been conducted in accordance with the Rules. The Market Operator will partially rely on the Trading Participants' statements to that effect and will take appropriate action if non-compliance is subsequently discovered. All Trading Participants involved in transactions in breach of the Rules will be held responsible.

9. Cancellation on the Day of Registration

(a) An Exchange For Physical transaction may be submitted for cancellation at any time up to the end of the Business Day on which registration and acceptance of the transaction took place.

(b) An Exchange For Physical transaction may only be cancelled where both parties to the transaction have approved of the cancellation.

(c) The Market Operator may refuse to cancel an Exchange for Physical transaction in its own discretion even if both parties to the transaction have approved of the cancellation.

10. Cancellation on Day Two

(a) Where there has been an error in the details of an Exchange For Physical transaction submitted for registration, a Trading Participant may submit that transaction for cancellation at any time up to the end of the Business Day after the registration and acceptance of that transaction.

(b) A Trading Participant may only submit an Exchange For Physical transaction for cancellation where it submits at the same time a replacement Exchange For Physical transaction with the correct details for registration.

(c)   An Exchange For Physical transaction may only be cancelled and replaced in accordance where both parties to the transaction have approved of the cancellation and replacement.

(d)   The Market Operator may refuse to cancel an Exchange For Physical transaction in its own discretion even if both parties to the transaction have approved of the cancellation.

Beyond Day Two, cancellation of an EFP transaction is not permitted except in exceptional circumstances that are determined and approved by the Market Operator from time to time.

11.   Publication of Details of Exchange for Physical

The Market Operator shall in respect of all Exchange for Physical transactions publish to Trading Participants upon receipt of each Exchange for Physical transaction the commodity, quantity, time and price of the Exchange for Physical transaction.

12.   Submission of all Contracts for Registration

Except as otherwise provided by the Rules, a Trading Participant shall submit all Contracts which it trades to the Market Operator for registration with the Approved Clearing Facility in accordance with the Clearing Rules.

13.   Open Positions

A Participant shall ensure that any Open Positions not given up to another Participant, created by trading on the instructions of a Client including discretionary trading on behalf of a Client, is either:

(a)   carried in the Participant's name as an Open Position with the Approved Clearing Facility; or

(b)   carried in the Participant's name as an Open Position with another Participant.

14.   Direct Transactions with Approved Clearing Facility

Where, in accordance with the Clearing Rules, the Approved Clearing Facility wishes to protect its position by entering into transactions with Participants, Participants may, with the approval of the Market Operator, agree to buy or sell Contracts as traded in the Market Operator's Markets directly with the Approved Clearing Facility and without trading on the Market Operator's Markets. Such transactions may be registered by Approved Clearing Facility in the same way as contracts traded on the Market Operator's Markets.

Amended 31/05/13, 27/12/13, 06/06/14, 20/03/17

Block Trade Orders

[4820]   Block Trade orders may only be effected in the manner set out in the Procedures

[4821]   A Market Transaction is entered into when a Block Trade is effected under this Rule.

Procedure 4820 – Block Trades

For the purposes of Rule [4820] the Market Operator has prescribed the following Derivatives Market Contracts and conditions for the Block Trade Facility:

Contract Type	Applicable Contract[1]	Agreement & Registration Day Session	Agreement & Registration Night Session	Minimum Threshold	Minimum Trading Increment
Interest Rate					
Three Year Commonwealth Treasury Bond Futures Contract	Spot Month only Change of spot month occurs 5 trading days prior to expiry (includes expiry day).	Not available	Block trades may be agreed during the contract's night session Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	2,000 lots	Refer to contract specifications
Ten Year Commonwealth Treasury Bond Futures Contract	Spot Month only Change of spot month occurs 5 trading days prior to expiry (includes expiry day).	Not available	Block trades may be agreed during the contract's night session Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	750 lots	Refer to contract specifications
Twenty Year Commonwealth Treasury Bond Futures Contract	Spot Month only Change of spot month occurs 5 trading days prior to expiry (includes expiry day).	Block trades may be agreed during the contract's day session. Electronic registration must be completed within 10 minutes of agreement between the parties.	Block trades may be agreed during the contract's night session Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	500 lots	Refer to contract specifications

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[1] Participants are reminded that it is contrary to the ASIC MIRs to use the Block Trade Facility to execute Roll Business.

Contract Type	Applicable Contract[1]	Agreement & Registration Day Session	Agreement & Registration Night Session	Minimum Threshold	Minimum Trading Increment
90 Day Bank Accepted Bill Futures Contract	All Months except the spot month	Only Packs and Bundle Strip Orders may be agreed during the contract's day session. Electronic registration must be completed within 10 minutes of agreement between the parties.	Block trades may be agreed during the contract's night session including Packs and Bundle Strip Orders. Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	1,500 lots (second expiry month only) 1,000 lots (third expiry month to sixth expiry month) 500 lots (seventh expiry month and further out contract months) 500 lots for Packs & Bundles Strip Orders	0.01 0.005 for Packs and Bundle Strip Orders
30 Day Interbank Cash rate Futures	All months except the spot month and second expiry month	Not available	Block trades may be agreed during the contract's night session Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	500 lots	0.005
Three Year Interest Rate Swap Future	Spot Month only Change of spot month occurs 5 trading days prior to expiry (includes expiry day).	Not available	Block trades may be agreed during the contract's night session Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	500 lots	0.005

Contract Type	Applicable Contract[1]	Agreement & Registration Day Session	Agreement & Registration Night Session	Minimum Threshold	Minimum Trading Increment
Five Year Interest Rate Swap Future	Spot Month only Change of spot month occurs 5 trading days prior to expiry (includes expiry day).	Not available	Block trades may be agreed during the contract's night session Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	500 lots	0.005
Ten Year Interest Rate Swap Future	Spot Month only Change of spot month occurs 5 trading days prior to expiry (includes expiry day).	Not available	Block trades may be agreed during the contract's night session Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST	500 lots	0.0025
New Zealand Three Year Bond Futures Contract	All (except 5 trading days prior to expiry of the spot month)	Block trades may be agreed during the contract's day session. Electronic registration must be completed within 10 minutes of agreement between the parties.	Block trades may be agreed during the contract's night session Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	50 lots	0.005
New Zealand Ten Year Bond Futures Contract	All (except 5 trading days prior to expiry of the spot month)	Block trades may be agreed during the contract's day session. Electronic registration must be completed within 10 minutes of agreement between the parties.	Block trades may be agreed during the contract's night session Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	100 lots	0.005
New Zealand 30 Day Official Cash Rate Futures	All	Block trades may be agreed during the contract's day session. Electronic registration must be completed within 10 minutes of agreement between the parties.	Block trades may be agreed during the contract's night session Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	50 lots	0.005

Contract Type	Applicable Contract[1]	Agreement & Registration Day Session	Agreement & Registration Night Session	Minimum Threshold	Minimum Trading Increment
New Zealand 90 Day Bank Bill Futures Contract	All	Only Packs and Bundle Strip Orders may be agreed during the contract's day session. Electronic registration must be completed within 10 minutes of agreement between the parties.	Block trades may be agreed during the contract's night session including Packs and Bundles Strip Orders. Electronic registration must be completed on the next Business Day between 8:30am and 9:30am NZST.	500 lots for Bank Bill Futures and Packs & Bundles Strip Orders	0.01
Equity Index					
SPI 200 Futures Contract	Closest quarterly contract to expiry (March, June, September, December). Change of quarterly month occurs 5 trading days prior to expiry (includes expiry day).	Block trades may be agreed during the contract's day session and up to 10 minutes after the close of the day session. Electronic registration must be completed within 10 minutes of agreement between the parties.	Block trades may be agreed during the contract's night session and up to 10 minutes after the close of the night session. Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	200 lots	0.1
Mini SPI 200 Futures Contract	Closest quarterly contract to expiry (March, June, September, December). Change of quarterly month occurs 5 trading days prior to expiry (includes expiry day).	Block trades may be agreed during the contract's day session and up to 10 minutes after the close of the day session. Electronic registration must be completed within 10 minutes of agreement between the parties.	Block trades may be agreed during the contract's night session and up to 10 minutes after the close of the night session. Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	1,000 lots	0.1

Contract Type	Applicable Contract[1]	Agreement & Registration Day Session	Agreement & Registration Night Session	Minimum Threshold	Minimum Trading Increment
S&P/ASX 200 Gross Total Return Index Futures Contract	All	Block Trades may be agreed during the contract's day session and up to 10 minutes after the close of the day session.\n\nElectronic registration must be completed within 10 minutes of agreement between the parties.	Block trades may be agreed during the contract's night session and up to 10 minutes after the close of the night session.\n\nElectronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST	50 lots	0.1
S&P/ASX 200 Resources Index Futures Contract	Closest two quarterly contracts to expiry	Block trades may be agreed during the contract's day session and up to 10 minutes after the close of the day session.\n\nElectronic registration must be completed within 10 minutes of agreement between the parties.	Not available	40	0.1
S&P/ASX 200 Financial-x-A-REIT Index Futures Contract\n\nS&P/ASX 200 A-REIT Index Futures Contract	Closest two quarterly contracts to expiry	Block trades may be agreed during the contract's day session and up to 10 minutes after the close of the day session.\n\nElectronic registration must be completed within 10 minutes of agreement between the parties.	Not available	20	0.1

Contract Type	Applicable Contract[1]	Agreement & Registration Day Session	Agreement & Registration Night Session	Minimum Threshold	Minimum Trading Increment
S&P/ASX 200 VIX Futures Contract	Closest two monthly contracts to expiry	Block trades may be agreed during the contract's day session and up to 10 minutes after the close of the day session. Electronic registration must be completed within 10 minutes of agreement between the parties.	Not available	50	0.01
SPI 200 Options Contract	All	Block trades may be agreed during the contract's day session and up to 10 minutes after the close of the day session. Electronic registration must be completed within 10 minutes of agreement between the parties.	Block trades may be agreed during the contract's night session and up to 10 minutes after the close of the night session. Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	200 lots	0.1
Energy					
New Zealand Electricity Futures Contracts	All	Block trades may be agreed at any time, except during the pre-open period. For Block Trades agreed during the contract trading session and up to one hour after the close, electronic registration must be completed within 10 minutes of agreement between the parties.	Not available	50 lots	NZ$0.01
New Zealand Electricity Strip Options Contracts				50 lots	

Contract Type	Applicable Contract[1]	Agreement & Registration Day Session	Agreement & Registration Night Session	Minimum Threshold	Minimum Trading Increment
New Zealand Gas Futures Contracts		For Block Trades agreed outside the trading session and later than one hour after the close, electronic registration must be completed on the next Business Day between 10:00am and 10:20am NZST.		5 lots	
Australian Electricity Futures Contracts Australian Electricity Options – Strip Options - Cap Futures Contracts	All	Block trades may be agreed at any time, except during the pre-open period. For Block Trades agreed during the contract trading session and up to one hour after the close, electronic registration must be completed within 10 minutes of agreement between the parties. For Block Trades agreed outside the trading session and later than one hour after the close, electronic registration must be completed on the next Business Day between 8.30am and 9.45am AEST.	Not available	25 lots	$0.01
Australian Electricity Orders consisting of strip options and/or quarterly futures contracts (which constitute the equivalent of a Market Operator Defined Strip	All	Block trades may be agreed at any time, except during the pre-open period. For Block Trades agreed during the contract trading session and up to one hour after the close, electronic registration must be	Not available	1 lot/leg	$0.01

Contract Type	Applicable Contract[1]	Agreement & Registration Day Session	Agreement & Registration Night Session	Minimum Threshold	Minimum Trading Increment
Order) with 7 legs or more		completed within 10 minutes of agreement between the parties. For Block Trades agreed outside the trading session and later than one hour after the close, electronic registration must be completed on the next Business Day between 8.30am and 9.45am AEST.			
Australian Electricity Orders consisting of strip options and quarterly futures contracts (which constitute the equivalent of a Market Operator Defined Strip Order)	All	Block trades may be agreed at any time, except during the pre-open period For Block Trades agreed during the contract trading session and up to one hour after the close, electronic registration must be completed within 10 minutes of agreement between the parties. For Block Trades agreed outside the trading session and later than one hour after the close, electronic registration must be completed on the next Business Day between 8.30am and 9.45am AEST.	Not available	1 lot/leg	$0.01
Victorian Wholesale Gas Futures Contracts	All	Block trades may be agreed at any time, except during the pre-open period. For Block Trades agreed during the contract trading session and	Not available	5 lots	$0.01

Contract Type	Applicable Contract[1]	Agreement & Registration Day Session	Agreement & Registration Night Session	Minimum Threshold	Minimum Trading Increment
Victorian Wholesale Gas Strip Contracts		up to one hour after the close, electronic registration must be completed within 10 minutes of agreement between the parties. For Block Trades agreed outside the trading session and later than one hour after the close, electronic registration must be completed on the next Business Day between 8.30am and 9.50am AEST.			
Wallumbilla Gas Futures Contracts	All	Block trades may be agreed at any time, except during the pre-open period. For Block Trades agreed during the contract trading session and up to one hour after the close, electronic registration must be completed within 10 minutes of agreement between the parties. For Block Trades agreed outside the trading session and later than one hour after the close, electronic registration must be completed on the next Business Day between 8.30am and 9.50am AEST.	Not available	5 lots	$0.01

Contract Type	Applicable Contract[1]	Agreement & Registration Day Session	Agreement & Registration Night Session	Minimum Threshold	Minimum Trading Increment
Commodities					
Grain Futures Contracts	All (except 5 trading days prior to expiry of the spot month)	Block trades may be agreed at any time except during the pre-open for the day session. Electronic registration must be completed within 10 minutes of agreement between the parties.	Block trades may be agreed at any time except for the period after the close of the night session through to the open of the day session (7:00pm to 10:50am AEST). Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	250 lots	$0.10
Grain Options Contracts	All (except 5 trading days prior to expiry of the spot month)	Block trades may be agreed at any time except during the pre-open for the day session. Electronic registration must be completed within 10 minutes of agreement between the parties.	Block trades may be agreed at any time except for the period after the close of the night session through to the open of the day session (7:00pm to 10:50am AEST). Electronic registration must be completed on the next Business Day between 8:30am and 9:30am AEST.	100 lots	$0.10
All Applicable Contracts					
Option Orders with 7 legs or more	All	In accordance with the times for the underlying contract	In accordance with the times for the underlying contract	1 lot/leg	Refer to contract specifications

Amended 01/08/11, 29/08/11, 24/10/11, 29/10/12, 01/07/13, 14/10/13, 21/10/13, 28/10/13, 14/08/14, 27/10/14, 24/11/14, 01/12/14, 08/12/14, 16/03/15, 07/04/15, 21/09/15, 12/10/15, 30/11/15, 08/08/16, 20/03/17, 28/11/17, 22/03/18, 20/06/18, 19/11/18, 18/02/19, 03/06/19, 23/09/19

Trading Procedures

1.   Trade Negotiation

Where a Trading Participant receives a Block Trade Order from a Client, the Trading Participant may:

(a)   solicit counterparties to the Block Trade Order amongst other Trading Participants;

(b)   withhold transmission of the Block Trade Order in order to solicit those counterparties;

(c)   disclose those details of the Block Trade Order as authorised by the clients; and

(d)   aggregate orders where each order is greater than or equal to the Minimum Volume Threshold for that contract.

2.   Trade Agreement

Trading Participants must only agree to the terms of a Block Trade for the sessions set out for the relevant contract in the table above under "Agreement & Registration".

3.   Trade Registration

Trading Participants must register Block Trades electronically with the Market Operator within the timeframe for the relevant contract and session as set out in the table above under "Agreement & Registration".

4.   Trade Publication

Details of all Block Trades validated and confirmed by the Market Operator shall be published by the Market Operator to Trading Participants. The details published to Trading Participants will include the commodity, quantity, time, expiry month(s) and price of each Block Trade.

5.   Market Operator Under No Obligation to Accept Agreed Terms of the Block Trade

The Market Operator is under no obligation to accept record details where:

(a)   the information cannot be readily and properly validated; and

(b)   the proposed price of the Block Trade varies significantly, as assessed by the Market Operator, from the price at which trades are being effected on the Trading Platform at the time that the record details are lodged.

6.   Validity of Block Trade

A Block Trade is not executed until it is accepted by the Market Operator. An agreement between parties to execute a Block Trade does not constitute a 'filled' trade – it must firstly be accepted by the Market Operator. Any Block Trade which is not executed in accordance with the Rule and Procedures shall be invalid. The decision of the Market Operator as to the invalidity of a Block Trade shall be final. The Market Operator shall notify the affected Trading Participants of that decision and send a message to the market identifying the Block Trade concerned.

7.   Market Operator May Take Enforcement Action

Confirmation by the Market Operator of execution of a Block Trade does not preclude the Market Operator from taking enforcement action in the event that the Block Trade is found to be other than in compliance with the Rules.

8. Unfilled Block Trade Orders

Where counterparties have been solicited and the Block Trade Order remains unfilled, then the Block Trade Order may revert to a Permitted Order and can be executed by the Participant on the Trading Platform in accordance with the Client's instructions.

9. Block Trade Order versus Block Trade Interest

A Trading Participant must be holding an order that meets the requirements of a Block Trade Order before it can solicit counterparties. If a Trading Participant has received 'interest' in a Block Trade but not a firm order it may continue to 'broke' the interest but must do so in accordance with the Rules. For instance, only revealing to potential counterparties information that has already been shown to the market via the Request For Quote Facility.

Where a Trading Participant is unsuccessful in obtaining counterparties to a Block Trade Order (ie the Minimum Volume Threshold cannot be met), but counterparties wish to execute a trade for a lesser volume, the Trading Participant may take the orders to the Trading Platform for execution. However, as the trade would essentially have been 'prearranged' the Participant must not attempt to execute a cross trade unless a period of sixty (60) seconds has elapsed from the entry of the originating client order. This will enable other Trading Participants, and therefore their clients, to enter opposing orders into the Trading Platform.

10. Block Trade Order Recording

Although Block Trades are executed off-market they are still subject to the requirements to maintain order records.

11. Block Trade Pricing

The Market Operator reserves the right to refuse to accept a Block Trade where the price varies significantly from the price of the underlying at the time the Block Trade was lodged. The Market Operator may still accept a Block Trade where the price is well away from the current underlying market, but it is likely to query the Trading Participant(s) involved to establish the rationale for the price.

As a guide, the price of a Block Trade will be acceptable without query where it is within the tick range, either side of the current market price. Where a Block Trade price falls outside this range the Market Operator will generally query the Trading Participants involved. However, it is important to note that prices outside this range may still be acceptable. For instance, a price determined on VWAP (Volume Weighted Average Price) may be outside this range but the Market Operator will accept prices based on VWAP.

12. Aggregation of Orders and Roll Business

As per ASIC Market Integrity Rules, Trading Participants cannot aggregate smaller orders to make up a Block Trade Order, thereby satisfying the Minimum Volume Threshold. Block Trade Orders may only be aggregated where each individual order meets or exceeds the Minimum Volume Threshold. This does not preclude an order from one client being allocated to several accounts in volumes less than the Minimum Volume Threshold. For instance, a fund manager may place an order that satisfies the minimum volume threshold and is executed as a Block Trade, but it may then be allocated to several sub-accounts under the fund manager's control. It is prohibited to use the Block Trade Facility to execute Roll business. For strip trading involving the spot month is not deemed to be Roll business.

13. Non-Availability of Block Trading

Block Trading is restricted to certain prescribed contracts and months. Block Trading may also be restricted in the spot month for a number of days prior to a contracts expiry.

14. Sequencing

Block Trade Orders are subject to the sequencing provisions under the ASIC Market Integrity Rules.

15. Cancellation on the Day of Registration

(a) A Block Trade may be submitted for cancellation at any time up to the end of the Business Day on which registration and acceptance of the trade took place.

(b) A Block Trade may only be cancelled where both parties to the trade have approved of the cancellation.

(c) The Market Operator may refuse to cancel a Block Trade in its own discretion even if both parties to the trade have approved of the cancellation.

Note: in this clause the end of the Business Day means 6:00pm

16. Cancellation on Day Two

(a) Where there has been an error in the details of a Block Trade submitted for registration, a Trading Participant may submit that trade for cancellation at any time up to the end of the Business Day after the registration and acceptance of that trade.

(b) A Trading Participant may only submit a Block Trade for cancellation under this clause where it submits at the same time a replacement Block Trade with the correct details for registration.

(c) The Market Operator may refuse to cancel a Block Trade in its own discretion even if both parties to the trade have approved of the cancellation.

Note: in this clause the end of the Business Day means 6:00pm

17. Participant Registration of Strip Order Futures Contract Leg Prices – Packs and Bundles and Electricity and Gas Futures Contracts

The individual Futures Contract leg prices will be determined as per the Strip Order Price Allocation Process set out in Procedure 4022.

Amended 01/12/14, 04/05/15, 20/03/17, 22/03/18, 20/06/18

Trade Reporting

[4830]   A Trading Participant must report to the Market Operator, in the time and manner set out in the Procedures, each Derivatives Market Transaction entered into by the Trading Participant, except for transactions listed in the Procedures. A Trading Participant is taken to have reported information if that information is generated automatically and supplied to the Market Operator through facilities provided by the Market Operator in accordance with any applicable Procedures.

Introduced 20/03/17

Procedure 4830 – Trade Reporting

For the purposes of Rule [4830], a Trading Participant is taken to have lodged the required information in relation to Derivatives Market Transactions that occur in the Trading Platform by virtue of the information being generated automatically and supplied to the Market Operator through facilities provided by the Market Operator.

Separate reporting requirements apply to Block Trades (see Rule [4820]) and EFPs (see Rule [4800]).

In addition Trading Participants must supply Daily Beneficial Ownership Position Reports under Part 4C.

Introduced 20/03/17

PART 4C   POSITION REPORTING

Position Reporting

[4840]   A Trading Participant must report to the Market Operator, in the time and manner set out in the Procedures, each Open Position entered into by the Trading Participant, including daily beneficial ownership reports, except for transactions listed in the Procedures.

Introduced 20/03/17

Procedure 4840 – Position Reporting

For the purposes of Rule [4840], a Trading Participant must supply the following Daily Beneficial Ownership Position Reports in relation to all transactions

Daily Beneficial Ownership Report and Exceptional Reports Procedure

1.   Daily Open Position Reports

(a)   In respect of every Open Position in an Account, as at the Close of Trading on a Business Day, a Trading Participant shall, no later than 8.00 am on every Business Day, or such other time as determined by the Market Operator, provide to the Market Operator a daily report, or reports, in a machine readable form, approved by the Market Operator, and containing such information regarding the beneficial ownership of the position as determined by the Market Operator.

(b)   In the case of an emergency, including but not limited to system failure, or if an exemption is granted by the Market Operator, the daily report may be provided in a non-machine readable form approved by the Market Operator.

2.   Content of Report

(a)   Each daily report shall contain the name and address of the beneficial holder of the position (or, if approved by the Market Operator, a symbol or indicator which will enable the Participant and the Market Operator to readily identify the name and address of the holder), together with such other information as the Market Operator may determine. Any Trading Participant which chooses to use symbols or indicators shall, prior to their use, provide the Market Operator with a list of such symbols or indicators and the corresponding names and addresses.

(b)   Each daily report shall show each Open Position separately for each delivery month or Option Series, as the case may be, of each contract as at the Close on the preceding Trading Date.

(c)   Each daily report shall be complete and accurate and only contain Open Positions that are being held in an Account.

3.   Client Obligation to provide information

The ASIC Market Integrity Rules and ASX 24 Rules regarding client agreements require the Client to take all reasonable steps to obtain and communicate to the Trading Participant information, which would include that regarding beneficial ownership.

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4. Affiliated Accounts ("Omnibus" Accounts)

Where a Trading Participant knows that two or more accounts maintained or carried by that Trading Participant are acting under day-to-day trading control of a common entity or set of related entities, these accounts may be reported as a single Affiliated Account, even if the ultimate beneficial owners of the positions are separate entities. This will commonly be the case for fund management trading or instances where confidentiality prevents a Trading Participant from knowing the details of a position's ultimate beneficial owners.

In such a case, these accounts are to be reported to the level at which day-to-day trading decisions are made – fund accounts, for example, would be reported as a single fund account. Where individual clients of a broking service make their own decisions, these would be reported separately.

It is recognised that where an Affiliated Account is carried on behalf of an entity that is not the Trading Participant nor a related entity to it, the identities of the ultimate beneficial owners of holdings in this account are a matter of commercial confidentiality between the Trading Participant and its (immediate) client. As such, these accounts may be initially listed in these reports as a single Affiliated Account.

If this is the case, however, Trading Participants are explicitly reminded that they have an obligation to provide information regarding the identity of the ultimate beneficial owners of positions if and when requested by the Market Operator. This Rule applies to all Affiliated Accounts, including those held offshore.

It is the Trading Participant's obligation to ensure that they have established the appropriate procedures to obtain information relating to the identity of clients in an Affiliated Account readily. These procedures may include requiring the client provide the information directly to the Market Operator in order to preserve confidentiality. The Client Agreement Form may be a suitable mechanism to ensure the appropriate framework is in place to ensure client account information is readily obtainable.

5. Participants' House Affiliated Accounts

Where the Trading Participant has a number of internal divisions which clear trades through their futures division, a House Omnibus Account will generally incorporate trade details undertaken by these many different divisions.

In some instances the Trading Participant may only report open positions as a total of all divisions' trading held by the Trading Participant. The Market Operator must then request that the Participant break down the report to reflect the separate positions held by the different divisions within the Trading Participant entity.

The Market Operator recommends that Trading Participants report their House Omnibus Account information, where possible, with a full break down of open positions held by their separate Divisions as a matter of best practice.

6. Trading Participant obligation to provide information

Trading Participants are reminded that if the Daily Open Position Report is submitted by a third-party on the Trading Participant's behalf (including by a Clearing Participant), the Trading Participant remains liable for any failure to provide this report.

7. Alternative Avenues to Request the Information

Where the ultimate client account information is held in an offshore client omnibus account, the Market Operator may utilise various international information sharing arrangements to access the relevant information. Clearly, such a procedure is not as discreet as requesting the relevant information from the Trading Participant directly and the Trading Participant requesting the information from its Client. If necessary, the Market Operator may:

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request the information directly from the host Market Operator via "The International Information Sharing Memorandum of Understanding and Agreement";
request the information directly via the "Intermarket Surveillance Group Agreement"; or
request the Australian Securities & Investment Commission ("ASIC") exercise its international information sharing arrangements and where possible request the information be compelled by the relevant foreign regulator.

The Market Operator will only use these avenues when a Trading Participant's efforts to obtain the relevant client account information have been unsuccessful.

8. Exceptional Reports

The Market Operator may at any time call for an exceptional report from any Trading Participant in respect of Open Positions, requiring it to furnish such information as determined by the Market Operator. This may include each transaction entered into by the Trading Participants on other Market Operators, matched through the Central Order Book or conducted off-market, including by Block Trade or EFP facilities.

Introduced 20/03/17

End of Section. Next page is no. 501.