

ETO Cancellation Policy

CONSULTATION PAPER

MARCH 2016



Invitation to comment

Contacts ASX is seeking submissions on the ETO Cancellation Policy canvassed in this paper by April 29 2015 Submissions should be sent to:

E greg.pill@asx.com.au

ASX prefers to receive submissions in electronic form. Submissions not marked as 'confidential' will be made publicly available on ASX's website

If you would like your submission, or any part of it, to be treated as 'confidential', please indicate this clearly in your submission. ASX is available to meet with interested parties for bilateral discussions on the <Title>

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Introduction

Overview

ASX has received a request from a number of derivatives trading participants via the Stockbrokers Association of Australia to review the existing prescribed regime for ETO trade cancellations (prescribed cancellation regime).

ASX introduced the prescribed cancellation regime in October 2011 in response to extreme price movement controls introduced by ASIC for Equity Market Products under the ASIC Competition MIRs. ASX considers that the consistency and certainty under the prescribed cancellation regime achieves a better overall market management outcome than a policy that has a greater focus on individual user outcomes.

The current objectives of the prescribed cancellation regime are to:

- provide market users with additional certainty as to when trades will and will not be cancelled;
- minimise the impact of cancellations on the market by tightening the timeframe in which cancellation requests can be made;
- streamlining the cancellation process and providing quicker response times to cancellation requests by reducing to the greatest extent practicable ASX exercise of discretion.

During the consultation that preceded the October 2011 changes there was overwhelming support amongst Market Participants for a prescribed cancellation regime where ASX discretion to cancel trades is minimised, and where there is maximum certainty around when cancellation will or will not occur.

There are a number of practical factors related to the operation of ETO markets that affect the timing and processing of cancellations:

- The end of the open session state at 4.20pm for single stock options and 5pm for index options day session or 7pm for index options night session.
- 5:30pm cut-off time for clearing run (affecting margins obligations and accounting for premium)
- Impact for options at expiry (subject to auto exercise at 7pm on expiry date and creation of cash settlement/delivery obligations)
- Allocations of exercise notices on a daily basis for American style options

ASX is now seeking broader feedback from all exchange traded options users, in response to the Stockbrokers Association request, to review time limits participants have to notify ASX of errors and to also introduce a significant size threshold for an error to be considered as extreme.



Consultation

The following questions will help gather feedback on potential changes to the times participants have to notify ASX under Procedure 3200 and 3210 of the ASX Operating Rules.

Currently the time limit for notifying ASX of trades sought to be cancelled under the prescribed cancellation regime is 10 minutes for trades in the Qualifying Cancellation Range (QCR) and 30 minutes for trades in the Extreme Trading Range (ETR). Please refer to the appendix for full details of the current procedures.

ASX is also seeking feedback on the potential for a significant size/value threshold to be added to ETR ranges.



Questions

1. What is your preferred approach for the time participants have to notify ASX of trades in the Qualifying Cancellation Range (QCR) and Extreme Trading Range (ETR) to be considered for cancellation for exchange traded options? Should the period:
 - a. Remain consistent with other products on ASX Trade (namely equities)
 - b. Be individually tailored to the needs of the ETO market

If (b) should the QCR and ETR notification timeframes for ETOs be aligned?

- a. Yes
- b. No

Please explain your reason for this view, including any evidence where available.

2. Should a participant notify ASX of trades in the QCR to be considered for cancellation within:
 - a. 10 minutes (i.e. no change);
 - b. 30 minutes;
 - c. 45 minutes; or
 - d. 60 minutes

Note: the above times would not affect the end-of-day cut-off for cancellation requests which will remain within 10 minutes of the open session state closing.

Please explain your reason for this view, including any evidence where available.



3. For errors in the QCR should at fault brokers have the ability to directly contact other parties to the trade to seek cancellation in addition to ASX contacting counterparties?
 - a. Yes
 - b. No

If you answered Yes, note there would still be a requirement to notify ASX within the specified timeframe. There may also be a need to extend the time for counterparties to accept errors, and subsequently report acceptance of cancellation to ASX, as multiple counterparties would require multiple phone calls. Would you prefer that the period to inform ASX of acceptance be:

- a. 5 minutes (i.e. no change);
- b. 30 minutes; or
- c. extended to 4.30pm on the same trading day.

Please explain your reason for this view, including any evidence where available.

4. Should a participant be required to notify ASX of trades in the ETR to be considered for cancellation within:
 - a. 10 minutes;
 - b. 30 minutes (i.e. no change);
 - c. 45 minutes; or
 - d. 60 minutes.

Note: the above times would not affect the end-of-day cut-off for cancellation requests which will remain within 10 minutes of the open session state closing.

Please explain your reason for this view, including any evidence where available.



5. Would you support an extension to notification time limits if the error in the ETR or QCR was above a significant size/value threshold?
- a. Yes
 - b. No

If Yes, should the threshold be an error greater than:

- a. \$100,000;
- b. \$250,000;
- c. \$500,000; or
- d. \$1 million

If Yes, should the time added to the normal limit be:

- a. 30 minutes;
- b. 60 minutes; or
- c. 90 minutes

Note: the times on the previous page would not affect the end-of-day cut-off for cancellation requests which will remain within 10 minutes of the open session state closing.

Please explain your reason for this view, including any evidence where available.



Are there any further comments on trade cancellation policy that you think are relevant:



Appendix

EXISTING PROCEDURES FOR CANCELLATIONS, DEALING DISPUTES AND ANOMALOUS ORDER THRESHOLD

Procedure 3200 – Request for Cancellation		
Timing		
Initial telephone request	<p>A Participant, via its Authorised Signatories, must notify ASX Trading Operations by telephone within 10 minutes of the trade occurring that it requests a trade to be considered for cancellation if it is within the Qualifying Cancellation Range (QCR). Only ASX may facilitate the cancellation of trades.</p> <p>Participants must not self-cancel trades except where specifically authorised in this Procedure (i.e. Crossings and trade reports or ASX directs the Participant to self-cancel). If a Participant does not wish that a trade within the QCR is cancelled the Trading Participant does not need to notify ASX Trading Operations.</p>	
Subsequent Information required	<p>After the initial telephone request, the request for cancellation must be emailed to ASX Trading Operations (Tradingoperations@asx.com.au) within 10 minutes.</p> <p>The email request must include the following information:</p> <ul style="list-style-type: none"> • time of execution; • ASX code; • number of shares/contracts; • price; • trade slip number; and/or • order number. 	
Time Limit	Shares, Company Options, ETFs, CGS, Managed Fund Products, CDIs, Warrants, Structured Products and Interest Rate Securities	ASX will not facilitate the requested cancellation of a trade where the request was not made in accordance with the above timing or 10 minutes has elapsed since the end of the CSPA on TradeMatch and the end of continuous trading on PureMatch on the relevant Trading Day, whichever is sooner.
	ETOs and Futures	ASX will not facilitate the requested cancellation of a trade where the request was not made in accordance with the above timing or



Procedure 3200 – Request for Cancellation											
	10 minutes has elapsed since the end of the Open Session State for that product on the relevant Trading Day, whichever is sooner.										
Notification by ASX of Request	ASX shall, as soon as possible, send a message to the market notifying that a cancellation is being requested and will provide the trade number(s) for the trade(s) if it is available and the Exchange can identify the trade. The Exchange may send this notification prior to receiving the email from the Participant so as to give the market warning about the trade investigation. However, if the Participant email is not received by the Exchange within the 10 minute time frame the Exchange will not continue to action the request for cancellation.										
Cancellation Ranges	<p>On receipt of the email request, ASX will refer to the Reference Price for that product and then assess whether the trade qualifies for cancellation during continuous trading as follows:</p> <p>Shares, Company Options, ETFs, Managed Fund Products, CDIs, CGS, Interest Rate Securities and Futures</p> <table border="1"> <thead> <tr> <th>Range</th> <th>Outcome</th> </tr> </thead> <tbody> <tr> <td>At or within the NCR (No Cancellation Range)</td> <td>The trade will not be cancelled.</td> </tr> <tr> <td>At or within the QCR (Qualifying Cancellation Range)</td> <td>The trade will only be cancelled if the Participant counterparty to the trade consents within 5 minutes from contact by ASX Trading Operations.</td> </tr> <tr> <td>At or within the ETR (Extreme Trade Range)</td> <td>ASX will cancel the trade subject to any exceptions. If a Participant has requested a cancellation and the trade is determined by ASX to be within the ETR, Rule [3200] ceases to apply and Rule [3210] applies.</td> </tr> </tbody> </table> <p>Warrants, Structured Products and ETOs</p> <table border="1"> <thead> <tr> <th>Range</th> <th>Outcome</th> </tr> </thead> <tbody> </tbody> </table>	Range	Outcome	At or within the NCR (No Cancellation Range)	The trade will not be cancelled.	At or within the QCR (Qualifying Cancellation Range)	The trade will only be cancelled if the Participant counterparty to the trade consents within 5 minutes from contact by ASX Trading Operations.	At or within the ETR (Extreme Trade Range)	ASX will cancel the trade subject to any exceptions. If a Participant has requested a cancellation and the trade is determined by ASX to be within the ETR, Rule [3200] ceases to apply and Rule [3210] applies.	Range	Outcome
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Procedure 3200 – Request for Cancellation		
	At or within the QCR (Qualifying Cancellation Range)	The trade will only be cancelled if the Participant counterparty to the trade consents within 5 minutes from contact by ASX Trading Operations.
	At or within the ETR (Extreme Trade Range)	ASX will cancel the trade subject to any exceptions. If a Participant has requested a cancellation and the trade is determined by ASX to be within the ETR, Rule [3200] ceases to apply and Rule [3210] applies.
<p>The cancellation ranges and Reference Prices are set out below.</p> <p>ASX will not accept the financial loss incurred by a Participant as grounds for cancellation.</p>		
Notification by ASX of Outcome	Where a decision regarding cancellation of a trade has been effected, ASX Trading Operations shall notify the affected Participants of the decision and send a message to the market.	
Individual assessment of each leg of a trade	All products	<p>1. Combination Order matches another Combination Order</p> <p>For trades which resulted from a Combination Order matching a Combination Order, the net price of the entire Combination will be used when assessing if the combination falls within the QCR. If the net price is in the ETR the resultant trades can be cancelled or repriced/rebooked. The ASX will only be able to facilitate the cancellation of all legs where there is only one counterparty to all legs of the trade and that counterparty consents.</p> <p>OR</p> <p>2. Cancellation of Non-ETR leg of Combination Trade</p> <p>A Participant that is party to a Combination Trade where one leg is within the ETR (and is to be cancelled) can request that the leg of the trade that is not within the ETR is also cancelled. The ASX will only be able to facilitate the cancellation of all legs where there is only one counterparty to all legs of the trade and that counterparty consents.</p> <p>OR</p> <p>3. The ETR leg is re-priced</p>



Procedure 3200 – Request for Cancellation		
		<p>A Participant that is party to a Combination Trade where one leg is within the ETR and wants that leg repriced to not breach the ETR can request that the ETR leg be repriced. The ASX will only be able to facilitate the repricing/rebooking of the leg in the ETR where:</p> <ul style="list-style-type: none"> (a) there is only one counterparty to all legs of the trade and that counterparty consents; (b) the original net price is maintained.
<p>Actions once ASX determines the trade is within the Qualifying Cancellation Range</p>	<p>If the trade is within the QCR and therefore, eligible for cancellation under Rule [3200], once ASX Trading Operations has been advised by the Participant who initiated the cancellation request, ASX will contact the authorised signatory (under Rule [6510]) of the Participant that is the counterparty to the Market Transaction(s) and seek confirmation that the counterparty has agreed to the cancellation. The Participant counterparty to the transaction(s) is under no obligation to agree to the trade cancellation request.</p> <p>Participants may provide a standing instruction to ASX Trading Operations to not accept counterparty requests for cancellation in the QCR in which case the counterparty will not be contacted and the trade will not be cancelled.</p> <p>If the Participant counterparty does not agree to the trade cancellation within 5 minutes from contact by ASX Trading Operations, the initiator Participant will be informed and the trades will stand.</p> <p>If an agreement is reached, ASX will inform the initiator Participant and will then facilitate the cancellation of the trade(s). ASX will notify the relevant Approved Clearing Facility of the cancellation.</p> <p>The parties to the Market Transaction will remain anonymous unless their identity is already disclosed in accordance with the Rules.</p>	
<p>Counterparty Client Consent</p>	<p>Where ASX obtains relevant counterparty consent for the trade to be cancelled such consent is provided on the understanding that the counterparty has sought and received its Client's consent for such cancellation and can produce that consent at that time if requested.</p>	
<p>Cancellation Conditions</p>	<p>The cancellation may be subject to such condition(s) as ASX sees fit, including but not limited to, the following:</p>	



Procedure 3200 – Request for Cancellation	
	<p>(a) the acceptance, by the Participant who has requested the cancellation, or has originally executed the trade, of a trade executed by another Participant in reliance on the trade cancelled; or</p> <p>(b) the acceptance of a trade to cancel the trade.</p> <p>The Participant shall comply with any such condition.</p>
Cancellation Fee	<p>ASX will impose a cancellation fee as specified in the Fee Schedule on www.asx.com.au on the Participant responsible for the trade. The fee will be levied individually on each order that results in a trade being cancelled under this Rule capped at 5 orders. The cap on 5 orders relates to a series of orders that result in transactions that are cancelled within 10 minutes of the first transaction being cancelled.</p> <p>Note:</p> <p>Example 1: If 9 orders result in 7 transactions that execute between 11:10 and 11:15 and those transactions are cancelled, the Participant will be charged 5 x the cancellation fee. If the remaining 2 orders result in transactions that execute between 11:40 and 11:50 and these 2 transactions are cancelled, the Participant will be charged 2 x the cancellation fee.</p> <p>Example 2: If 1 order results in 1,000 transactions that execute then only 1 x the cancellation fee is charged.</p>
QCR and NCR Cancellation Exceptions	<p>Specific types of trades and Crossings</p> <p>Participants are able to self-cancel reported trades subject to Rule [3500] and Crossings on the same Trading Day. If a Participant wishes to cancel these trades on T+1 ASX Trading Operations must be contacted to facilitate the cancellation. Self-cancellations and cancellations facilitated by ASX are subject to a fee specified in the Fee Schedule on www.asx.com.au.</p> <p>Cancellation beyond T+1 is not permitted.</p> <p>Allocation of Financial Products through ASX BookBuild</p>



Procedure 3200 – Request for Cancellation

With the exception of the paragraph below concerning ASX System or Process Malfunction, Rules [3200] and [3210] do not apply to the allocation of Financial Products through ASX BookBuild in accordance with Rules [4900] to [4950].

ASX System or Process Issue

In the event that trades result from any ASX system or process issue, any resulting trade notified to ASX Trading Operations may, in ASX’s discretion, be cancelled (regardless of the range the trade falls within or when ASX identifies the issue).

Where the ASX Trading Platform allocates leg prices where two Tailor Made Combination orders match that are not a true reflection of current market levels, as determined by ASX, ASX may re-book the trade where the net price is maintained and there are only two counterparties to the trade.

Other ASX Rules and Approved Clearing Facility Rules

Rule [3200] and this Procedure are subject to and may be overridden by any ASX Rule that allows or disallows cancellation and any cancellation rule of an Approved Clearing Facility.

Cancellation Ranges for Shares, Company Options, ETFs, Managed Fund Products, CDIs, CGS, and Interest Rate Securities	PRICE	TICK	NCR	QCR	ETR
	0.1 – 9.9 cents	0.1 cent	0 – 4 cents	The range above the NCR and below the ETR	> 10 cents
	10 – 15.5 cents	0.5 cent	0 – 4 cents		> 30 cents
	16 – 99.5 cents	0.5 cent	0 – 10 cents		> 30 cents
	100 – 119.5 cents	0.5 cent	0 – 10 cents		> 50 cents
	120 – 199.5 cents	0.5 cent	0 – 15 cents		> 50 cents
	200 – 234 cents	1 cent	0 – 15 cents		> 50%
	235 – 499 cents	1 cent	10%		> 50%
	500 – 699 cents	1 cent	10%		> 40%
	700 – 999 cents	1 cent	10%		> 35%
	1000 – 1999 cents	1 cent	10%		> 30%
	2000 – 4999 cents	1 cent	10%		> 25%
	≥5000 cents	1 cent	10%		> 20%

The ETR is the same as the ETR set out in the ASIC Market Integrity Rules (Competition in Exchange Markets) (“ASIC Competition MIRs”). For Shares, Company Options, ETFs, Managed



Procedure 3200 – Request for Cancellation	
	<p>Fund Products, CDIs and CGS at or below 9.9 cents, the ETR values may be different to the relevant tick values so ASX will round down the ETR to the applicable tick value eg if the upper ETR is 19.9 cents (9.9 plus 10 cents) it will be rounded down and applied at 19.5 cents.</p> <p>The ETR for a Combination Trade which has one counterparty on each side may be determined by either the higher of the Combination as a net price or the higher of one of the component series which make up the Combination.</p> <p>For Equity LEPOs the above ETR for Equity Market and Cash Market Products will be used. For a LEPO only Combination the ETR for Equity Market and Cash Market Products will be used and not the ETO only Combination ETR. There will be no NCR for LEPOs.</p>
Cancellation Ranges for Warrants and Structured Products	<p>The QCR will be the difference between the Warrant Reference Price or the Structured Product Reference Price and the ETR.</p> <p>The ETR is the same as for Shares, ETFs, Managed Fund Products, CDIs, CGS and Interest Rate Securities.</p>
Cancellation Ranges for ETOs	<p>ETO Cancellation Ranges (for Equity and Index ETOs)</p> <p>The QCR will be the difference between the ETO Reference Price and the ETR.</p> <p>The ETR is based on the Market Maker spread requirements as per the ETO class quoting schedules which are available at http://www.asx.com.au/documents/products/asx_eto_market_making_scheme.pdf</p> <p>For ETOs due to expire within or equal to 12 months from the trade date, the ETR will be calculated as:</p> $\text{ETR Lower Limit} = \text{ETO Reference Price} - (\text{Market Maker quoting schedule spread} \times 1.0)$ $\text{ETR Upper Limit} = \text{ETO Reference Price} + (\text{Market Maker quoting schedule spread} \times 1.0)$



Procedure 3200 – Request for Cancellation

For ETOs due to expire greater than 12 months from the trade date, the ETR will be calculated as:

$$\text{ETR Lower Limit} = \text{ETO Reference Price} - (\text{Market Maker quoting schedule spread} \times 2.0)$$

$$\text{ETR Upper Limit} = \text{ETO Reference Price} + (\text{Market Maker quoting schedule spread} \times 2.0)$$

The ETR for a Derivatives Combination Trade which has one counterparty on each side may be determined by either the higher of the Combination as a net price or the higher of one of the component series which make up the Combination.

For Equity LEPOs the ETR for Equity Market and Cash Market Products will be used. There will be no NCR for LEPOs.

For a LEPO only Combination the ETR for Equity Market and Cash Market Products will be used and not the ETO only Combination ETR.

For Index LEPOs the following ranges apply:

Index LEPO Contracts	QCR	Start of ETR
S&P/ASX 200 A-REIT Index LEPO	26 – 249 Points	250 Points
S&P/ASX 200 Index LEPO	26 – 249 Points	250 Points
S&P/ASX 50 Index LEPO	26 – 249 Points	250 Points

Cancellation Ranges for Futures	Futures Contracts	NCR	QCR	Start of ETR*
	S&P/ASX 200 A-REIT Index Futures (XPJ)	25 Points	26 - 249 Points	250 Points
	S&P/ASX 200 Index Futures (XJO)	25 Points	26 - 249 Points	250 Points
	S&P/ASX 50 Index Futures (XFL)	25 Points	26 - 249 Points	250 Points



Procedure 3200 – Request for Cancellation	
	<p>* The ETR for a Derivatives Combination Trade which has one counterparty on each side may be determined by either the higher of the Combination as a net price or the higher of one of the component series which make up the Combination.</p>
<p>Reference Prices – Shares, Company Options, ETFs, Managed Fund Products, CDIs and CGS</p>	<p>For Shares, Company Options, ETFs, Managed Fund Products, CDIs and CGS there is both a static ETR Reference Price and a dynamic No Cancellation Range Reference Price (also known as the Anomalous Order Threshold (AOT) Reference Price).</p> <p>ETR Reference Price</p> <p>The ETR Reference Price is as per ASIC Competition MIR 2.2.2 and is a static reference price as follows:</p> <ul style="list-style-type: none"> (a) if there is an auction in the relevant product and before the opening transaction, the price established by the auction; (b) if: <ul style="list-style-type: none"> (i) ASX determines that the price established by the auction referred to in paragraph (a) is Invalid; (ii) the auction referred to in paragraph (a) does not establish a price; or (iii) there is no auction in the relevant product after the auction and before the opening transaction, the price of the opening transaction; or (c) if paragraph (b) applies and the price of the opening transaction is invalid, a price determined by the ASX to be not Invalid. ASX will apply a Regulatory Halt Session State for a period of 2 minutes to facilitate the resetting of the Reference Price. <p>For any Shares, Managed Fund Products and CDIs outside the S&P/ASX 300 selected and notified by ASX from time to time for the purpose of a trial of intraday auctions at 12pm and 2pm, the ETR Reference Price will also be the price established by such intraday auction in that Share, Managed Fund Product or CDI or the opening transaction after such intraday auction or otherwise the price determined by ASX to not be invalid in accordance with paragraphs (a), (b) and (c) above.</p> <p>NCR/AOT Reference Price</p> <p>The NCR/AOT Reference Price is a dynamic price which is updated every 1 minute.</p>



Procedure 3200 – Request for Cancellation	
	<p>Regulatory Halt/Trading Pause</p> <p>ASX will apply a Regulatory Halt Session State for 2 minutes (referred to as a Trading Pause under the ASIC Competition MIRS) as follows:</p> <ul style="list-style-type: none"> • during continuous trading the NCR/AOT range has moved such that trades would occur in the ETR (an ETR Event under the ASIC Competition MIRS) so that the ETR Reference Price, ETR and NCR/AOT range may be reset by auction; • to reset the ETR Reference Price where ASX has determined the auction price is invalid or an auction does not establish a price or ASX has determined the opening transaction price is invalid; and • another Market Operator has advised of an ETR Event on its market including during the Pre-Open Session State so that a particular instrument may not open on ASX at its schedule opening time. • ASX has determined that a Regulatory Halt is required to reset the AOT/NCR Reference Price. <p>ASX will also apply a Regulatory Halt Session State where any part of the Regulatory Halt Session State would be applied during the Pre-CSPA and CSPA Session States.</p> <p>Pursuant to an ASIC waiver will not apply a Regulatory Halt Session State where another Market Operator sends a Regulatory Halt message and the instrument is already in a Regulatory Halt Session State or Pre-Notice Received or Trading Suspension or other Trading Halt on ASX.</p>
<p>Reference Price – Warrants, Structured Products, Interest Rates Securities, ETOs and Futures</p>	<p>Cancellation Reference Price</p> <p>The Cancellation Reference Price is established on an as needs basis. It is not determined at the start of day, or refreshed during an auction, but is determined using available data before the trade which gives rise to the cancellation request. The Cancellation Reference Price is applied to determine the NCR (for Interest Rate Securities, Structured Products and Futures), QCR and ETR (for Warrants, ETOs, Interest Rate Securities, Structured Products and Futures). The following criteria are used where relevant:</p> <ul style="list-style-type: none"> • the price established by the opening auction, any subsequent auction, or after a Trading Suspension on each Trading Day; • if there is no opening auction for the security, the price of the first transaction executed on the market for that Trading Day;



Procedure 3200 – Request for Cancellation

- theoretical valuation. For ASX ETOs the dividends used for valuation purposes will be supplied by Markit and the interest rate used will be the same as that used with the Derivatives Clearing System (DCS). For American style options the Binomial Model will be used and for European style options the Black/Scholes option pricing will be used;
- valid last trade price preceding the entry of the asserted error trade, adjusted for underlying movements if required;
- valid bid or ask available in the market, adjusted for underlying movements if required;
- using the preceding Daily Settlement Price Implied Volatility for the relevant series adjusted for underlying movement;
- intra and inter spread relationships;
- market conditions immediately before and after the transaction(s);
- independent third parties;
- physical markets;
- last trade price of Underlying Security, ratio and relevant exchange rate in relation to a Depositary Receipt;
- utilisation of Request For Quote;
- wholesale OTC market price where relevant;
- Issuer pricing matrices where relevant.

Introduced 28/11/11 Amended 27/02/12, 22/10/12, 29/01/13, 31/03/13, 26/05/13, 08/10/13, 25/11/13, 01/06/15

Cancellation of Trades in the Extreme Trade Range

Procedure 3210

Procedure 3210 – Cancellation of Trades in the Extreme Trade Range

Application	ASX may cancel trades under this Rule whether or not it has received a request from a Participant under Rule [3200] – Request for Cancellation.
Notification by ASX of trade investigation	Where the trade is notified to ASX Trading Operations or identified by ASX Trading Operations as likely to be within the ETR, ASX shall, as soon as possible, send a message to the market.



Procedure 3210 – Cancellation of Trades in the Extreme Trade Range							
Notification by ASX of Outcome	Where a decision regarding cancellation of a trade has been effected, ASX Trading Operations shall on a best endeavours basis notify the affected Participants of the decision prior to the cancellation and send a message to the market.						
ETR Cancellation Exceptions	If a trade has a price at or within the ETR it will be cancelled unless the following exceptions apply:						
	<table border="1"> <tr> <td>Warrants, Structured Products and Interest Rate Securities</td> <td> <p>Time limit is exceeded</p> <p>ASX will not cancel trades in the ETR if the trade is identified by or to ASX Trading Operations more than 30 minutes after the time of trade execution or if 10 minutes has elapsed since the end of the CSPA on TradeMatch and the end of continuous trading on PureMatch on the relevant Trading Day, whichever is sooner.</p> </td> </tr> <tr> <td>ETOs and Futures</td> <td> <p>Time limit is exceeded</p> <p>ASX will not cancel trades in the ETR if the trade is identified by or to ASX Trading Operations more than 30 minutes after the time of trade execution or if 10 minutes has elapsed since the end of the Open Session State for that product on the relevant Trading Day, whichever is sooner.</p> </td> </tr> <tr> <td>All products</td> <td>The ETR Trade is Repriced/Rebooked – see Procedure 3200 for details.</td> </tr> </table>	Warrants, Structured Products and Interest Rate Securities	<p>Time limit is exceeded</p> <p>ASX will not cancel trades in the ETR if the trade is identified by or to ASX Trading Operations more than 30 minutes after the time of trade execution or if 10 minutes has elapsed since the end of the CSPA on TradeMatch and the end of continuous trading on PureMatch on the relevant Trading Day, whichever is sooner.</p>	ETOs and Futures	<p>Time limit is exceeded</p> <p>ASX will not cancel trades in the ETR if the trade is identified by or to ASX Trading Operations more than 30 minutes after the time of trade execution or if 10 minutes has elapsed since the end of the Open Session State for that product on the relevant Trading Day, whichever is sooner.</p>	All products	The ETR Trade is Repriced/Rebooked – see Procedure 3200 for details.
	Warrants, Structured Products and Interest Rate Securities	<p>Time limit is exceeded</p> <p>ASX will not cancel trades in the ETR if the trade is identified by or to ASX Trading Operations more than 30 minutes after the time of trade execution or if 10 minutes has elapsed since the end of the CSPA on TradeMatch and the end of continuous trading on PureMatch on the relevant Trading Day, whichever is sooner.</p>					
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All products	The ETR Trade is Repriced/Rebooked – see Procedure 3200 for details.						
Exceptions that apply to 3200 and 3210	<p>See details of the following exceptions at Procedure 3200</p> <ul style="list-style-type: none"> • Specific types of trades and Crossings • Allocation of Financial Products through ASX BookBuild • ASX System or Process Issue • Other ASX Rules and Approved Clearing Facility Rules 						
Cancellation Conditions	The same cancellation conditions apply as in Procedure 3200.						



Procedure 3210 – Cancellation of Trades in the Extreme Trade Range	
Cancellation Fee	The same cancellation fees apply as in Procedure 3200.

