

## SECTION 2 DEFINITIONS AND INTERPRETATION

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## SECTION 2 DEFINITIONS AND INTERPRETATION

Section 2 contains the definitions and sets out a number of general principles by which these Rules are to be interpreted.

### 2.1 GENERAL PRINCIPLES OF INTERPRETATION

In these Rules unless the context otherwise requires:

- (a) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or any legislative provision substituted for, and any regulation or statutory instrument issued under, that legislation or legislative provision;
- (b) a reference to the operating rules of an Approved Clearing Facility, the operating Rules of an Approved Settlement Facility, these Rules or the Procedures is a reference to those operating rules, the Rules or the Procedures as modified or amended from time to time;
- (c) the singular includes the plural and vice-versa;
- (d) a reference to a person, body, corporation, trust, partnership, unincorporated body, firm, association, authority or government includes any of them;
- (e) a word denoting any gender includes all genders;
- (f) if a word or expression is given a particular meaning, another part of speech or grammatical form of that word or expression has a corresponding meaning;
- (g) a reference to power includes a reference to authority and discretion;
- (h) a reference to a Rule (eg Rule 2.4) includes a reference to all sub-Rules included under that Rule (eg Rule 2.4.3);
- (i) a reference to a Section (eg Section 2) includes a reference to all Rules and sub-Rules within that Section;
- (j) a reference to any Rule or Procedure is a reference to that Rule or Procedure as amended from time to time;
- (k) a reference to time is to the time in Sydney, Australia;
- (l) a reference to currency is a reference to Australian currency;
- (m) a reference to writing includes typing, printing, lithography, photography, telex, facsimile or any other mode of representing or reproducing words in a visible form;
- (n) where there is a reference to the power of ASX to make, demand or impose a requirement there is a corresponding obligation of the relevant Market Participant to comply with that demand or requirement in all respects; and

- (o) a reference to ASX notifying or giving notice to a Market Participant or vice-versa is a reference to notifying or giving notice in accordance with Rule 1.6.

Introduced 11/03/04 Origin ASXF 21.2

## **2.2 WORDS AND EXPRESSIONS DEFINED IN THE CORPORATIONS ACT**

### **2.2.1 Words and expressions defined have the same meaning in these Rules**

Words and expressions defined in the Corporations Act will unless otherwise defined or specified in these Rules or the contrary intention appears, have the same meaning in these Rules.

Introduced 11/03/04 Origin ASXF 21.2.3 Amended 30/06/04

## **2.3 HEADINGS AND INTRODUCTORY REVIEW**

### **2.3.1 Headings and introductory overview for convenience of reference only**

Headings and the introductory overview at the beginning of each Section are for convenience of reference only and do not affect the interpretation of the Rules or the Procedures.

Introduced 11/03/04 Origin ASXF 21.2.2

## **2.4 CONDUCT, ACTS AND OMISSIONS**

### **2.4.1 References to conduct or doing any act or thing**

In these Rules:

- (a) a reference to conduct or engaging in conduct includes a reference to doing, refusing to do or omitting to do, any act, including the making of, or the giving effect to a provision of, an agreement; and
- (b) unless the contrary intention appears, a reference to doing, refusing or omitting to do any act or thing includes a reference to causing, permitting or authorising:
  - (i) the act or thing to be done; or
  - (ii) the refusal or omission to occur.

Introduced 11/03/04

### **2.4.2 Conduct by officers, employees or agents**

In these Rules, conduct engaged in on behalf of a person:

- (a) by an officer, Employee, or other agent of the person, and whether or not within the scope of the actual or apparent authority of the officer, Employee, or other agent; or

- (b) by any other person at the direction or with the consent or agreement (whether express or implied) of an officer, Employee, or other agent of the person, and whether or not the giving of the direction, consent or agreement is within the scope of the actual or apparent authority of the officer, Employee, or other agent,

is deemed to have been engaged in also by the person.

Introduced 11/03/04 Amended 31/03/08

### **2.4.3 State of mind of a person**

If for the purposes of these Rules in respect of conduct engaged in by a person, it is necessary to establish the state of mind of the person, it is sufficient to show that an officer, Employee, or other agent of the person, being an officer, Employee, or other agent by whom the conduct was engaged in and whether or not the conduct was within the scope of the actual or apparent authority of that officer, Employee, or other agent, had that state of mind.

In this Rule 2.4.3, a reference to the state of mind of a person includes a reference to the knowledge, intention, opinion, belief or purpose of the person and the person's reasons for the person's intention, opinion, belief or purpose.

Introduced 11/03/04 Amended 31/03/08

## **2.5 REGARD TO BE HAD TO PURPOSE OR OBJECT OF RULE**

### **2.5.1 Construction to promote purpose of Rules**

In the interpretation of a Rule, a construction that would promote the purpose or object underlying the Rules (whether that purpose or object is expressly stated in the Rules or not) is to be preferred to a construction which would not promote that purpose or object.

Introduced 11/03/04 Origin ASXF 1.3

## **2.6 EXAMPLES AND NOTES**

### **2.6.1 Use of examples and notes**

If these Rules include an example of, or a note about, the operation of a Rule:

- (a) the example or note is not to be taken to be exhaustive; and
- (b) if the example or note is inconsistent with the Rule, the Rule prevails.

Introduced 11/03/04

## **2.7 CHANGE OF NAME**

### **2.7.1 Reference to a body or office under a former name**

If:

- (a) the name of a body is changed in accordance with the law (whether or not the body is incorporated); or
- (b) the name of an office is changed by law,

then a reference in these Rules to the body or office under any former name, except in relation to matters that occurred before the change took effect, is taken as a reference to the body or office under the new name.

Introduced 11/03/04

### **2.7.2 References to Australian Stock Exchange Limited**

All references to 'Australian Stock Exchange Limited' in the Rules, Procedures, appendices, schedules, guidance notes, circulars, notices, bulletins, explanatory memoranda and other communications issued or made by ASX under the Rules are as and from 5 December 2006 taken to be references to 'ASX Limited'.

Introduced 20/07/07

## **2.8 EFFECT OF AMENDMENT TO RULES AND PROCEDURES**

### **2.8.1 Where amendments to Rules and Procedures are made**

Unless expressly stated otherwise, where a Rule or Procedure is:

- (a) amended;
- (b) deleted; or
- (c) lapses or otherwise ceases to have effect,

that circumstance does not:

- (d) revive anything not in force or existing at the time at which that circumstance takes effect;
- (e) affect the previous operations of that Rule or Procedure or anything done under that Rule or Procedure;
- (f) affect any right, privilege, obligation or liability acquired, accrued or incurred under that Rule or Procedure;
- (g) affect any penalty, forfeiture, suspension, expulsion or disciplinary action taken or incurred in respect of any breach of that Rule or Procedure; or

- (h) affect any investigation, disciplinary proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture, suspension, expulsion or disciplinary action,

and any such investigation, disciplinary proceeding or remedy may be instituted, continued or enforced, and any such penalty, forfeiture, suspension, expulsion or disciplinary action may be imposed as if the circumstance had not taken effect.

Introduced 11/03/04 Origin ASXF 21.2.4

## **2.9 RULES IN FORCE AT TIME OF CONTRAVENTION**

### **2.9.1 Determining a contravention of the Rules**

Unless expressly stated otherwise, in determining whether the act or omission of a party constitutes a contravention of the Rules or constitutes Unprofessional Conduct, the matter will be determined with regard to the Rules in force at the time of the relevant act or omission.

Introduced 11/03/04 Origin ASXF 21.2.5

## **2.10 DEFINITIONS**

In these Rules and in the Procedures, unless the context otherwise requires:

**"Account"** means an account of a Clearing Participant with an Approved Clearing Facility in which Derivatives Market Contracts cleared by the Clearing Participant are registered.

Introduced 11/03/04 Amended 28/11/05

**"Accountant"** means a member of the Australian Society of Certified Practising Accountants, the Institute of Chartered Accountants in Australia or other body approved by ASX.

**"Accredited Adviser"** means a person accredited as a level one accredited derivatives adviser, level two accredited derivatives adviser or an accredited futures adviser under Section 8.

**"Adjust Phase"** – [Deleted]

Introduced 11/03/04 Deleted 28/11/05

**"Adjust Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05

**"Adjust ON Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05

**"Admission Requirements"** means the requirements for admission as a Market Participant which are set out in Section 3.

**"After Hours Adjust Phase" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"Alternative Clearing Facility"** means a CS Facility which, in the opinion of ASX, has:

- (a) adequate rules or procedures relating to the operation of the facility, including effective risk management procedures;
- (b) adequate arrangements for supervision and regulation of the facility; and
- (c) sufficient resources to conduct the facility and perform its supervisory and regulatory functions, and which is recognised by ASX as an Alternative Clearing Facility

**"American-Style"** means an Option Series for which an Exercise Notice may be submitted by the Buyer on or before the Expiry Date of the Option Series.

Introduced 11/03/04 Amended 28/11/05

**"Appeal Tribunal"** means the tribunal established in accordance with the provisions of the Australian Securities Exchange Disciplinary Processes and Appeals Rulebook.

Amended 31/03/08

**"Approved Clearing Facility"** means a CS Facility approved by ASX as an Approved Clearing Facility and specified in the Procedures.

**"Approved Index"** means an index approved by ASX in accordance with Rule 18.4.1 and set out in the Procedures.

**"Approved Ratings Agency"** means a ratings agency included in a list of ratings agencies published by ASX from time to time.

**"Approved Settlement Facility"** means a CS Facility approved by ASX as an Approved Settlement Facility and specified in the Procedures.

**"Approved Short Sale ETF"** means an ETF Security which ASX declares under Rule 19.7 to be in a class of financial products to which Section 1020B(4)(e) of the Corporations Act applies.

**"Approved Short Sale Product"** means a Cash Market Product (excluding ETF Securities) which ASX declares under Rule 19.7 to be in a class of financial products to which Section 1020B(4)(e) of the Corporations Act applies.

Introduced 11/03/04 Amended 28/11/05

**"Approved Subordinated Debt"** has the meaning it has in Schedule 1A.

**"AQUA Product"** means a Financial Product which is:

- (a) a Managed Fund Product;
- (b) an ETF Security; or

(c) a Structured Product;

which is admitted under Section 10A.

Introduced 15/09/08

"**AQUA Product Holder**" means the holder of an AQUA Product.

Introduced 15/09/08

"**AQUA Product Issuer**" means an entity which issues, distributes or makes available AQUA Products and which is admitted by ASX as an AQUA Product Issuer under Section 10A.

Introduced 15/09/08

"**AQUA Product Series**" means all AQUA Products with the same Underlying Instrument and having the same AQUA Product Issuer, Guarantor (if applicable), and Terms of Issue (if applicable).

Introduced 15/09/08

"**AQUA Quote Display Board**" means the facility provided by ASX for AQUA Product Issuers and Trading Participants to advertise their interest in acquiring or disposing of AQUA Products.

Introduced 15/09/08

"**Associated Transaction**" – [Deleted]

Deleted 28/11/05

"**ASX**" means ASX Limited (ABN 98 008 624 691).

Amended 20/07/07

"**ASXO**" means ASX Operations Pty Limited (ABN 42 004 523 782).

"**ASX World Link Agreement**" means an agreement so termed between a Portal Dealer and a Market Participant trading in connection with the ASX World Link service.

"**ASX World Link™ service**" means the access and services developed to facilitate Australian investors' participation in approved financial products markets outside Australia and international investors' participation in approved financial products on the Market.

"**Auction**" means an auction conducted in a Trading Platform in respect of Qualifying Bids Or Offers pursuant to the following process:

- (a) the Priority Bid is paired with the Priority Offer so that either the Bid or the Offer is fully satisfied;
- (b) a new priority of Bids and Offers is established after deducting the quantity of Products paired under sub-paragraph (a);



- (c) the pairing and re-establishment of priority set out in paragraphs (a) and (b) is repeated until the Priority Bid is below the Priority Offer price;
- (d) all paired Bids and Offers are then matched at the Equilibrium Price;
- (e) where the highest Bid and lowest Offer prices respectively do not match or overlap, such Bids and Offers will not participate in the process outlined in paragraph (b);
- (f) any Bids or Offers which have not been matched at the completion of the process described in paragraph (b) will be carried through to the next Session State.

Introduced 28/11/05

**"Auction Price" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"Australian ADI"** has the meaning it has in the Corporations Act.

**"Australian Financial Services Licence"** means a licence granted under Section 913B of the Corporations Act.

**"Authorised Person"** means a person who is either a client or an agent of the client and who is permitted by a Trading Participant to submit orders into the Trading Participant's system.

Amended 22/08/05

**"Authorised User"** means an employee of a Market Participant who is authorised under the terms of the applicable ASX World Link Agreement to place Orders for that Market Participant through the ASX World Link service.

**"Automated Client Order Processing"** is the Automated Order Processing of an order submitted by an Authorised Person into a Trading Participant's system.

**"Automated Order Processing"** means the process by which orders are registered in a Trading Participant's system and, if accepted for submission into a Trading Platform by the Trading Participant, submitted as corresponding Trading Messages without being keyed or rekeyed by a DTR.

**"Automated Order Processing Requirements"** means the requirements of Rules 13.3.1 to 13.3.3.

**"Bid"** means:

- (a) in relation to a Cash Market Product, a price and quantity of the Cash Market Product to be purchased;
- (b) in relation to a Derivatives Market Contract, an offer to enter into a Derivatives Market Transaction in respect of the relevant Derivatives Market Contract as Buyer; and

(c) in relation to a Combination, a price and quantity of the Combination.

Introduced 11/03/04 Amended 28/11/05, 19/08/09

**"Bid Class"** means in relation to a Takeover Bid, the class of Financial Products included in the bid class of Financial Products under the Corporations Act.

**"Bid Period"**:

- (a) for an Off-Market Bid - commences when the Bidder's statement is given to the Target and ends:
  - (i) 1 month later if no offers are made under the bid; or
  - (ii) at the end of the Offer Period;
- (b) for a Market Bid - starts when the bid is announced to ASX by the Trading Participant acting on behalf of the Bidder and ends at the end of the Offer Period; and
- (c) for a Scheme - starts when the announcement of intention to propose a Scheme is first received by ASX until the date on which the Scheme is effected.

**"Bidder"** means:

- (a) in relation to an Off-Market Bid or Market Bid, a bidder within the meaning of the Corporations Act and, in respect of an Issuer incorporated or established outside Australia, the equivalent entity; and
- (b) in relation to a Scheme, the entity or entities, which in the opinion of ASX, is in a similar position to a bidder.

**"Block Special Crossing"** means a Special Crossing made in accordance with Rule 18.2.

Introduced 11/03/04 Amended 28/11/05

**"Bulletin Board"** means the bulletin board which forms part of a Trading Platform which is a facility for:

- (a) advertising interest in trading in Products; and
- (b) trading Derivatives Only Combinations, Cash Only Combinations, Derivatives/Cash Combinations and the component Derivatives Market Contracts and Cash Market Products of Cross-Market Combinations which are not permitted under these Rules to be traded in the Central Orderbook and which comply with the Procedures.

Introduced 11/03/04 Origin old ASXMR 21.1.2 Amended 28/11/05

**"Business Day"** means a day other than:

- (a) a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day; and
- (b) any other day which ASX notifies Market Participants is not a Business Day.

**"Buyer"** means, in relation to a Derivatives Market Transaction, the Trading Participant whose purchase, bid or buy instruction, order or other Trading Message has resulted in the Derivatives Market Transaction being entered into in accordance with Rule 21.2.2, whether or not in connection with any Crossing, other Derivatives Market Transaction or any transaction in any Cash Market Product or Non-ASX Contract and includes the taker of an Options Market Contract.

Introduced 11/03/04 Amended 28/11/05

**"Capital Requirements"** means, in relation to a Market Participant, the Risk Based Capital Requirements or the NTA Requirements (as applicable).

**"Cash Market Product"** means a Quoted Product, a Warrant admitted to trading status in accordance with Section 10, an AQUA Product admitted to Trading Status or to the AQUA Quote Display Board in accordance with Section 10A or 10B and any other product that ASX authorises for trading on a Trading Platform and determines to be a Cash Market Product.

Introduced 28/11/05 Amended 15/09/08

**"Cash Market Transaction"** means a transaction between Trading Participants for one or more Cash Market Products.

Introduced 28/11/05

**"Cash Only Combination"** means a transaction consisting of two or more component Cash Market Transactions, in a specific ratio, in respect of which:

- (a) entry into each component Cash Market Transaction is contingent on entry into each of the other component Cash Market Transactions;
- (b) the combined transaction has a net price; and
- (c) each transaction is for the same client.

Introduced 28/11/05

**"Cash Settled Warrant"** means a Warrant in relation to which the settlement obligations under the Terms of Issue are completed by the payment of a cash amount by the Warrant-Issuer to the Warrant-Holder.

**"Central Orderbook"** means a part of a Trading Platform known as the "central orderbook" which is a facility for submitting Trading Messages in respect of, and entering into transactions in respect of Derivatives Market Contracts, Cash Market Products, Tailor-Made Combinations and Standard Combinations.

Introduced 11/03/05 Origin old ASXMR 21.1.2 Amended 28/11/05

**"Centre Point Limit Order"** means a Bid or Offer in accordance with Rule 31.12.3.

Introduced 28/06/10

**"Centre Point Market Order"** means a Bid or Offer in accordance with Rule 31.12.2.

Introduced 28/06/10

**"Centre Point Order"** means a Centre Point Limit Order and/or a Centre Point Market Order.

Introduced 28/06/10

**"Centre Point Priority Crossing"** means a Priority Crossing in accordance with Rule 17.2.7.

Introduced 28/06/10

**"Class"** means, in relation to Derivatives Market Contracts, all Contract Series with the same Underlying Index, Underlying Commodity, Underlying Financial Product or Underlying Instrument, as applicable.

Introduced 11/03/04 Amended 28/11/05

**"Clearing Agreement"** is defined in Rule 5.3.1.

**"Clearing Obligation"** means an obligation imposed on a Clearing Participant under the Clearing Rules.

**"Clearing Participant"** means a person admitted as a participant under the Clearing Rules.

**"Clearing Rules"** means the operating rules, procedures, practices, directions, decisions and requirements of an Approved Clearing Facility (and, when used in relation to a particular Approved Clearing Facility or Clearing Participant, refers to such rules of that Approved Clearing Facility or to which that Clearing Participant is subject).

**"Client Account"** means an account of a Clearing Participant with an Approved Clearing Facility in which Derivatives Market Contracts cleared by the Clearing Participant for one or more clients are registered.

Introduced 11/03/04 Amended 28/11/05

**"Client Agreement"** means an agreement between the Trading Participant and its client, entered into under Rule 7.1.2

**"Close Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05

**"Closing Phase"** – [Deleted]

Introduced 11/03/04 Deleted 28/11/05

**"Closing Single Price Auction"** – [Deleted]

Introduced 11/03/04 Deleted 28/11/05

**"Combination"** means a Cash Only Combination or a Derivatives Combination.

Introduced 28/11/05 Origin old ASXMR 21.2.4

**"Commission"** means the Australian Securities and Investments Commission.

**"Completion of Order Special Crossing"** means in relation to Cash Market Products, a Special Crossing referred to in Rule 18.7.

Introduced 28/11/05

**"Condition"** means each of the conditions to which sales on a Conditional Market are subject.

**"Conditional Market"** means a market declared by ASX to be a conditional market under Rule 16.9.2.

**"Conditional Sale"** means a sale which is conditional on fulfilment of Conditions and made on a Conditional Market.

**"Constitution"** means the constitution of ASX.

**"Contract Series"** means a Futures Series or an Option Series.

**"Contract Size"**, in relation to an Options Market Contract over Underlying Financial Products, means the number of Underlying Financial Products the subject of the Options Market Contract as determined by ASX when the relevant Contract Series is opened for trading under Rule 11.2 (unless adjusted under Rule 11.3).

Amended 28/11/05

**"Controlled Trust"** means a trust in relation to which an Employee, Immediate Family of an Employee or a company controlled by an Employee:

- (a) is a trustee;
- (b) holds more than 50% of the whole beneficial interest; or
- (c) controls the trust.

**"Controller"** means:

- (a) a person holding 20% of the total votes attached to voting shares of an applicant or a Market Participant or a person who, together with Related Parties, holds 20% of such votes; or
- (b) a person who has the power to control the Market Participant or applicant Market Participant, whether that power is direct or indirect or is, or can be, exercised as a result of, by means of, in breach of, or by revocation of, trusts, relevant agreements and practices, or any of them, and whether or not they are enforceable,

but for the purposes of Section 1 and Section 4 does not include an entity if the entity, a holding company of the entity, or a subsidiary of the entity through which the entity has an interest in the applicant or Market Participant is an entity listed on ASX or any other Australian market licensee or a Recognised Overseas Stock Exchange.

**"Core Trading Rules"** means collectively, the Rules that a Market Participant must observe in connection with its dealings in Participating International Financial Products through the ASX World Link service, as set out in Rule 27.4.4 to 27.4.10.

**"Cover Arrangement"** means, in respect of a Fully Covered Warrant:

- (a) a trust, the trustee of which is either an authorised trustee corporation (as that term is defined in the Corporations Act) or which meets the criteria for approval as a trustee for the purposes of Part 2L.1 of the Corporations Act; or
- (b) a trust, custodial or other similar arrangement not objected to by ASX and not objected to by the Commission,

to which the Underlying Instrument is subject and the terms of which preclude the Warrant-Issuer or any other person from exercising control over the transfer or disposal of the Underlying Instrument other than:

- (c) for the purpose of complying with the Warrant-Issuer's obligations in respect of the Warrant;
- (d) upon fulfilment of the Warrant-Issuer's obligations in respect of the Warrant, for any purpose which the Warrant-Issuer directs; or
- (e) for the purpose of complying with a direction of a court.

**"Cross" or "Crossing"**, means a transaction in respect of which a Trading Participant acts:

- (a) on behalf of both buying and selling clients to that transaction; or
- (b) on behalf of a buying or selling client on one side of that transaction and as Principal on the other side.

**"Crossing Dispute"** means a matter referred to the Dispute Governors pursuant to Rule 15.2.4(e)(ii).

Introduced 11/03/04 Amended 28/11/05

**"Crossing Market"** means that the highest Bid price and the lowest Offer price are not more than one Price Step apart.

**"Cross-Market Combination"** means a transaction consisting of one or more component Market Transactions and one or more transactions in Non-ASX Contracts, in a specific ratio, in respect of which:

- (a) entry into each component Market Transaction and each component transaction in a Non-ASX Contracts is contingent on entry into each of the other component Market Transactions and transactions in Non-ASX Contracts;
- (b) the combined transaction has a net price; and
- (c) each transaction is for the same client.

Introduced 28/11/05 Origin old ASXMR 21.2.4

**"Cross-Platform Combination" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"Cross Single Series Function"** is the function in a Trading Platform described in Rule 22.2.2.

Introduced 11/03/04 Amended 28/11/05

**"Cross with Central Orderbook Function"** is the function in a Trading Platform described in Rule 22.2.3.

Introduced 11/03/04 Amended 28/11/05

**"CS Approved Product"** means a Cash Market Product approved for settlement by an Approved Settlement Facility in accordance with its Settlement Rules.

Introduced 11/03/04 Amended 28/11/05

**"CSPA Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05.

**"Dealing Dispute"** has the meaning given in Rule 15.3.

**"Dealing Rules"** means the Rules governing the submission of orders and the execution and reporting of Market Transactions on a Trading Platform and includes:

- (a) in relation to trading in Cash Market Products, Section 12 to Section 20 (inclusive) and Section 31; and
- (b) in relation to trading in Derivatives Market Contracts, Section 12 to Section 15 and Section 21 to Section 25 (inclusive) and Section 31.

Introduced 11/03/04 Amended 28/11/05

**"Defined Circumstances"** means that:

- (a) it is a Derivative/Cash Combination;
- (b) the transactions are conducted in accordance with Rule 21.4.9 or Rule 31.2.9 (as applicable);
- (c) the transaction in the Cash Market Products is entered into at or within the Bid and Offer as displayed in a Trading Platform when the Derivative/Cash Combination is transacted; and
- (d) the transactions are reported to ASX simultaneously.

Introduced 11/03/04 Amended 28/11/05

**"Deliverable Warrant"** means a Warrant in relation to which the settlement obligations under the Terms of Issue are in the first instance completed by the transfer of the Underlying Instrument to the Warrant-Holder.

**"Derivative"**, in Section 9, has the same meaning as in Section 761D of the Corporations Act.

**"Derivative/Cash Combination"** means a transaction consisting of one or more component Cash Market Transactions and one or more component Derivatives Market Transactions, in a specific ratio, in respect of which:

- (a) entry into each component Cash Market Transaction and each component Derivatives Market Transaction is contingent on entry into each other component Cash Market Transaction and Derivatives Market Transaction;
- (b) the combined transaction has a net price; and
- (c) each transaction is for the same client.

Introduced 28/11/05 Origin old ASXMR 21.2.4

**"Derivatives Combination"** means a Derivatives Only Combination, a Derivative/Cash Combination or a Cross-Market Combination.

Introduced 28/11/05

**"Derivatives Market Contract"** means a Futures Market Contract, an Options Market Contract and any other contract that ASX authorises for trading on a Trading Platform and determines to be a Derivatives Market Contract.

Introduced 28/11/05

**"Derivatives Market Transaction"** means a transaction between Trading Participants for one or more Derivatives Market Contracts.

Introduced 28/11/05

**"Derivatives Only Combination"** means a transaction which comprises at least two component Derivatives Market Transactions, in a specific ratio, in respect of which:

- (a) entry into each component Derivatives Market Transaction is contingent on entry into each of the other component Derivatives Market Transactions;
- (b) the combined transaction has a net price; and
- (c) each transaction is for the same client.

Introduced 28/11/05 Amended 19/08/09

**"Derived Order"** is defined in Rule 31.2.7.

Introduced 11/03/04 Amended 28/11/05

**"Disciplinary Tribunal"** means the tribunal established under Rule 28.14.

**"Disclosed Portion"** means that portion of an Iceberg Order which is disclosed to the Market by a Trading Platform.

Introduced 28/11/05

**"Discretionary Account" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05



**"Dispute Governor"** means a person appointed under Rule 15.4.1.

**"Dispute Governors Committee"** is defined in Rule 15.4.2.

**"DTP" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"DTP Combination" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"DTP Contract" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"DTP Product" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"DTP Transaction" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"DTR"** means a person registered by ASX under Rule 8.2.

**"DTR Training Manual"** means the document with that title published by ASXO which contains operational and administrative procedures relating to a Trading Platform, as amended from time to time.

Introduced 28/11/05

**"Eligible Broker-Dealer" or "Eligible Institution"** means an entity which:

- (a) is a "qualified institutional buyer" as defined in Rule 144A(a)(1) under the Securities Act of 1933 (US), or an international organisation excluded from the definition of "US person" in Rule 902(K)(2)(vi) of Regulation S under the Securities Act of 1933 (US); and
- (b) has had prior actual experience with traded options in the United States options markets, and, therefore has received the options disclosure document for United States standardised options required by Rule 9b-1 under the Securities Exchange Act of 1934 (US).

Introduced 02/10/07

**"Employee"** in relation to a Market Participant includes a director, employee, officer, agent, representative, consultant or adviser of that Market Participant, or an independent contractor who acts for or by arrangement with a Participant.

**"Enquire Phase" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"Enquire Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05

**"Entitlement"** is defined in Rule 5.7.4.

**"Entity"** is defined in Rule 4.5.2.

**"Equilibrium Price"** means, in relation to a Product, the price calculated by applying the principles below (to each Product) in the following order until a single price results:

- (a) maximum executable volume - this principle determines the price (or prices) at which the largest possible executable volume is achieved;
- (b) minimum surplus - this principle ascertains the price (or prices) at which the unfilled or unmatched quantity is at a minimum;
- (c) market pressure - this principle ascertains whether the result achieved under the previous principle exists on the buy or sell side of the market; and
- (d) reference price - this principle narrows the potential prices as calculated above and confirms one of the potential prices. Confirmation occurs by using either:
  - (i) the price of the last on-market trade for that day; or
  - (ii) if no on-market trades have occurred on the Trading Day, the official closing price from the previous Trading Day.

Where a confirmation cannot be achieved (as no on-market trades have ever occurred) the lowest of the narrowed potential prices will become the relevant price.

Introduced 28/11/05

**"Equity Securities"** means:

- (a) shares in a body corporate or an unincorporated body other than redeemable preference shares which are Loan Securities in accordance with paragraph (c) of the definition of Loan Securities; or
- (b) interests in a managed investment scheme, except those referred to in paragraph (d) of the definition of Loan Securities; or
- (c) renounceable and non-renounceable rights to subscribe for Securities other than Loan Securities; or
- (d) options over unissued Securities other than Loan Securities; or
- (e) convertible notes; or
- (f) any Securities which are determined by ASX to be Equity Securities,

but does not include option contracts, or Securities determined to be Loan Securities by ASX.

"**Error**" is defined in Rule 15.1.

"**Error Dispute**" is defined in Rule 15.2.7.

"**Established Market**" means in relation to a single Contract Series or a Standard Combination, a bid and an offer in the Central Orderbook for at least the minimum quantity and at or within the maximum spread, provided by a Market Maker.

"**ETF**" means:

- (a) a registered managed investment scheme or a scheme which ASIC has exempted from the registration requirements:
  - (i) listed on ASX or admitted under Section 10A;
  - (ii) with power and approval to continuously issue and have quoted on ASX Equity Securities in the scheme;
  - (iii) which provides for the issue of new Equity Securities in return for the subscriber transferring to the scheme a portfolio of Securities; and
  - (iv) for which the price of the Underlying Instrument is continuously disclosed or can be immediately ascertained.

Amended 15/09/08

"**ETF Portfolio**" means the portfolio of Securities required by an ETF to be transferred to or from the ETF as part of the issue or redemption of ETF Securities.

"**ETF Security**" means a Financial Product issued by or provided pursuant to an ETF.

Amended 15/09/08

"**ETF Special Trade**" means a trade in ETF Securities effected under Rule 16.5.1.

"**European-Style**" means an Option Series for which an Exercise Notice may be submitted by the Buyer on the Expiry Date of the Option Series.

Introduced 11/03/04 Amended 28/11/05

"**Exchange Approved Special Crossing**" means, in relation to Cash Market Products, a Special Crossing referred to in Rule 18.6.

Introduced 28/11/05

"**Exchange for Physical**" (EFP) means a transaction of the kind described in Section 24.

"**Exercise Limit**" means a limit set by ASX under Rule 25.2.1 or Rule 25.3.1 or an exercise limit set by the Approved Clearing Facility under the Clearing Rules.

"**Exercise Notice**" means a notice given by the Buyer of an Options Market Contract in accordance with these Rules to exercise an Options Market Contract.

Introduced 11/03/04 Amended 28/11/05

**"Exercise Price"** means the price specified by ASX for the exercise of an Options Market Contract (as adjusted in accordance with the Rules).

Introduced 11/03/04 Amended 28/11/05

**"Expiry Date"** means, in relation to an Options Market Contract, the date determined by ASX as the date on which the Options Market Contract expires. Unless ASX notifies Market Participants that a different date will apply to an Options Market Contract before ASX opens that Options Market Contract for trading under Rule 11, the Expiry Date will be:

- (a) the third Friday of the month in which the Option Series is expressed to expire; or
- (b) if the Underlying Market on which the relevant Underlying Financial Products are traded (or the Underlying Market for the component stocks in an Underlying Index) does not open for trading on the day referred to in paragraph (a), the immediately preceding trading day of that Underlying Market.

Introduced 11/03/04 Amended 28/11/05

**"Facilitated Specified Size Block Special Crossing"** means, in relation to Cash Market Products, a special crossing made in accordance with Rule 18.2.2.

Introduced 11/03/04 Amended 28/11/05

**"Family Company"** means a corporation:

- (a) controlled by the person or the Immediate Family of the person; or
- (b) in respect of which the person is beneficially entitled to more than 50% of the issued capital.

**"Family Trust"** means a trust in which:

- (a) the person or the Immediate Family of the person is the sole or majority beneficiary; or
- (b) the person has the ability to remove the trustee of the trust and replace that trustee with his or her own nominee.

**"FDI"** stands for Foreign Depositary Interest and which comprises a beneficial interest or other interest in a Participating International Financial Product held by a depositary nominee.

**"Financial Product"** has the meaning given in Division 3 of Part 7.1 of the Corporations Act.

**"FML Workstation"** means a personal computer on which is installed a software product provided by ASXO for use by any Market Participant permitted to access the ASX World Link service for the time being.

**"Forward Delivery Transaction"** means a Market Transaction for Cash Market Products where the Trading Participants entering into the transaction agree to a time for settlement of the transaction which is later than the third Business Day following the Cash Market

Transaction (but does not include a transaction of a type referred to in Rules 5.7.3(a) and 5.7.3(c)).

Introduced 11/03/04 Amended 28/11/05

**"Fully Covered Warrant"** means a Deliverable Warrant in respect of which the Warrant-Issuer has arranged for a number of the Underlying Instrument sufficient to meet the exercise of all outstanding Warrants to be subject to a Cover Arrangement.

**"Funds Manager"** means an entity whose primary business is to invest moneys and manage assets and other investments allocated to it by clients for that purpose.

**"Futures Market Contract"** means a contract on the terms of a Futures Series.

Introduced 11/03/04 Amended 28/11/05

**"Futures Option" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"Futures Series"** means a set of contractual terms which include the terms set out in Schedule 2 and other terms determined by ASX under Section 11.

**"Futures Market Transaction"** means a Market Transaction for one or more Futures Market Contracts.

Introduced 11/03/04 Amended 28/11/05

**"Guarantor"** means:

- (a) in relation to Warrants, a third party approved by ASX to provide an unconditional and irrevocable guarantee in favour of the Warrant-Holder in the event of the failure of a Warrant-Issuer to fulfil its obligations in accordance with the Terms of Issue; and
- (b) in relation to AQUA Products, a third party approved by ASX to provide an unconditional and irrevocable guarantee in favour of the AQUA Product Holder in the event of the failure of an AQUA Product Issuer to fulfil its obligations to the AQUA Product Holder.

Amended 15/09/08

**"House Account"** means an account of a Clearing Participant with an Approved Clearing Facility in which Derivatives Market Contracts cleared by the Clearing Participant for its own account are registered.

Introduced 11/03/04 Amended 28/11/05

**"Iceberg Order"** means a Bid or Offer entered into on the basis set out in Rule 31.9.

Introduced 28/11/05

**"Immediate Family"** in relation to a person, means that person's spouse and any non-adult children.

**"In Price/Time Priority"** means, in respect of Bids and Offers, in accordance with the following order:

- (a) Bids entered into a Trading Platform are ranked from highest to lowest priced and Offers are ranked from lowest to highest priced;
- (b) Bids entered into a Trading Platform are ranked above Bids entered later at the same price and Offers entered into a Trading Platform are ranked above Offers entered later at the same price; and
- (c) an Order withdrawn from a Trading Platform loses its priority under (a) and (b) and, if re-entered, will be treated as a new Order.

Introduced 28/11/05 Origin ASX 2.6.1, 2.6.4(2), MR 16.3.1

**"Initial Margin"** means, in relation to an Open Contract, an amount of money determined by an Approved Clearing Facility as the initial margin for the Open Contract, in accordance with the Clearing Rules.

**"Issuer"** means, in relation to a Cash Market Product, the legal entity which issues the Cash Market Product.

Introduced 11/03/04 Amended 28/11/05

**"Issuer Market Risk Product"** means an AQUA Product which requires an AQUA Product Issuer to engage in risk management, as specified in the Procedures.

Introduced 15/09/08

**"Late Trading Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05

**"Listed Entity"** means an entity admitted to the official list of ASX.

**"Listing Rules"** means the listing rules of ASX.

**"Loan Securities"** means:

- (a) debentures, stocks or bonds issued or proposed to be issued by a government; or
- (b) debentures of a body corporate or an unincorporated body; or
- (c) redeemable preference shares which have a fixed and certain date for redemption, other than shares having a participating entitlement to rights or options referred to in paragraphs (c) and (d) of the definition of Equity Securities; or
- (d) interests in a managed investment scheme, relating to a financial or business undertaking or scheme, common enterprise or investment contract, the trustee or representative or responsible entity of which only invests in or acquires one or more of Loan Securities, mortgages and cash; or
- (e) any Securities which are determined by ASX to be Loan Securities,

but does not include option contracts, or Securities determined to be Equity Securities by ASX.

**"Make a market"** means to enter both a Bid and an Offer which meets the minimum quantity and maximum spread requirements determined by ASX under Section 23.

**"Managed Discretionary Account"** has the same meaning as given to MDA Service in ASIC Class Order 04/194.

**"Managed Fund"** means a managed investment scheme which is a registered managed investment scheme pursuant to s 601EB of the Corporations Act or a scheme which ASIC has exempted from these registration requirements.

Introduced 15/09/08

**"Managed Fund Product"** means a Financial Product issued by or provided pursuant to a Managed Fund.

Introduced 15/09/08

**"Managed investment product"**, in Section 9, means a Financial Product that is within the meaning of Section 764(1)(b) or Section 764(1)(ba) of the Corporations Act.

**"Market"** means the market for Products operated by ASX.

**"Market Bid"** means a market bid within the meaning of the Corporations Act and, in respect of an Issuer incorporated or established outside Australia, any similar form of bid.

**"Market Control"** means the unit of ASX responsible for the administration of the Trading Platform.

**"Market Maker"** means a Trading Participant registered by ASX under Rule 23.1, which must make a market in assigned Classes.

**"Market Participant"** means a person admitted as a participant under Section 3.

**"Market Transaction"** means a transaction for one or more Products, entered into on a Trading Platform or reported to ASX under these Rules.

Introduced 11/03/04 Amended 28/11/05

**"Marketable Parcel"** means, in relation to any Cash Market Product or right in respect of a Cash Market Product, the number determined in accordance with the Procedures.

Introduced 11/03/04 Amended 28/11/05

**"National Voiceline System"** means a dedicated communications service supplied to subscribers by ASX which provides access to voice announcements originating from ASX.

**"Nominating Trading Participant"**, means a Trading Participant who enters into a Nominating Trading Participant Agreement with a Principal Trader in accordance with Rule 5.6.2.

Introduced 11/03/04 Amended 28/11/05

**"Nominating Trading Participant Agreement"** means a binding agreement between a Principal Trader and a Nominating Trading Participant which meets the requirements set out in Rule 5.6.2.

Introduced 11/03/04 Amended 28/11/05

**"Non-ASX Contract"** means a contract, Underlying Commodity, Underlying Instrument or Underlying Financial Product that is available for trading on a Non-ASX Market.

**"Non-ASX Market"** means a market operated by a person other than ASX.

**"Non-Client"** means where a Trading Participant is not acting or trading on behalf of a client but on its own behalf as Principal (within the meaning of Rule 7.3.5).

Introduced 28/06/10

**"Non-CS Approved Product"** means a Cash Market Product which is not a CS Approved Product.

Introduced 11/03/04 Amended 28/11/05

**"Non-DTP Contract" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"Normal Trading" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"NTA Requirements"** means the requirements set out in Schedule 1B.

**"Offer"** means:

- (a) in relation to a Cash Market Product, a price and quantity of the Cash Market Products to be sold; and
- (b) in relation to a Derivatives Market Contract, means an offer to enter into a Derivatives Market Contract in respect of the relevant Contract Series as Seller.

Introduced 11/03/04 Amended 28/11/05

**"Offering Circular"** means a document, which ASX does not object to, despatched to prospective subscribers to an issue of Warrants and which contains all information required by ASX.

**"Offer Period"** means:

- (a) in relation to a Takeover Bid, the period for which offers under the bid remain open; or
- (b) in relation to a Scheme, the period from the date an announcement of intention to propose a Scheme is first received by ASX until the date on which the Scheme is effected.

**"Official List"** has the meaning given to that term in the Listing Rules.



**"Official Quotation"** means official quotation by ASX.

**"Off-Market Bid"** means an off-market bid within the meaning of the Corporations Act and in respect of an Issuer incorporated or established outside Australia, any similar form of bid.

**"On-market"** in relation to a transaction for the purpose of Chapter 6 of the Corporations Act means a transaction by a Trading Participant for the acquisition of Cash Market Products during the period set out in the Procedures which is:

- (a) effected in accordance with Section 31; or
- (b) a Crossing effected during Open Session State in accordance with Rule 17.2 if:
  - (i) the Crossing is arranged solely by a Trading Participant and is not prearranged between the principals to the transaction; and
  - (ii) each principal is indifferent as to the identity of the other.

For the purposes of this definition, the expression "principal" includes the principal's associates, advisers and advisers' associates. The expression "adviser" does not include a person only providing services to the principal as a broker.

*Note: Under this definition, Special Crossings and Crossings effected under Rules 17.6 and 17.7 are not on-market transactions.*

Introduced 11/03/04 Amended 28/11/05, 19/08/09

**"Open Contract"** means a contract, on the terms of a Contract Series which is registered with an Approved Clearing Facility under the Clearing Rules (and any contract which replaces that contract through the transfer, adjustment or settlement to market of that contract under the Clearing Rules).

Introduced 11/03/04 Amended 28/11/05

**"Open Interface"** means the electronic protocol and message structure used to provide a mechanism for Trading Participants to access a Trading Platform which enables a Trading Participant to submit Trading Messages.

**"Open Interface Device"** means a logical connection or session with the gateway using the Open Interface, and includes a session maintained by a Trader Workstation.

**"Open Night-Trading Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05

**"Open Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05

**"Open\_VMB Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/06/10

**"Opening Phase" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"Operational Requirements"** is defined in Rule 13.1.4.

**"Options Market Contract"** means a contract on the terms of an Option Series.

Introduced 11/03/04 Amended 28/11/05

**"Options Market Transaction"** means a Market Transaction for one or more Options Market Contracts.

Introduced 11/03/04 Amended 28/11/05

**"Option Series"** means a set of contractual terms which include the terms set out in Schedule 4 and other terms determined by ASX under Section 11.

**"Order"** means:

- (a) in relation to Cash Market Products, an instruction to purchase or sell Cash Market Products, or an instruction to amend or cancel a prior instruction to purchase or sell Cash Market Products;
- (b) in relation to Derivatives Market Contracts, an instruction to enter into a Derivatives Market Transaction, or an instruction to amend or cancel a prior instruction to enter into a Derivatives Market Transaction; and
- (c) for the purposes of Section 27, means an order placed by a Market Participant to buy or to sell any Participating International Financial Products using the ASX World Link service.

Introduced 11/03/04 Amended 28/11/05

**"Other Capital Regime"** is defined in Rule 6.3.1.

**"Overseas Activity"** is defined in Rule 4.5.1.

**"Overseas Portal Dealer"** means a Participating Overseas Exchange or an entity affiliated with a Participating Overseas Exchange that acts as an intermediary:

- (a) on behalf of trading participants in a Participating International Financial Products in order to facilitate placing orders, order execution, clearing and settlement of Participating ASX Cash Market Products through the ASX World Link service; or
- (b) on behalf of the Portal Dealer to facilitate placing orders, order execution, clearing and settlement of Participating International Financial Products through the ASX World Link Service.

Introduced 11/03/04 Amended 28/11/05

**"own account"** is defined in Rule 7.5.1.

**"Participating ASX Cash Market Product"** means a Cash Market Product that has been approved for trading by members of a Participating Overseas Exchange through the ASX World Link service, by agreement between ASX and the Participating Overseas Exchange.

Introduced 11/03/04 Amended 28/11/05

**"Participating International Financial Product"** means a security that is quoted on a market of a Participating Overseas Exchange and is eligible to be traded for the time being through the ASX World Link service, as notified to Market Participants by ASX from time to time.

**"Participating Overseas Exchange"** means a Recognised Stock Exchange located outside Australia that has agreed co-operative arrangements with ASX to enable Australian investors to transact on that Participating Exchange in Participating International Financial Products and investors from that exchange's home jurisdiction to transact on ASX in Participating ASX Cash Market Products.

Introduced 11/03/04 Amended 28/11/05

**"Participating Overseas Market"** means a stock market administered by a Participating Overseas Exchange to which access is for the time being available through the ASX World Link service.

**"Partly Paid Security"** means a Quoted Product for which the holder may be liable to pay a call or instalment in accordance with the terms of issue and for which an amount remains unpaid. A Partly Paid Security does not include a Quoted Product issued by a no liability company.

Introduced 01/05/09

**"Portal Dealer"** means:

- (a) ASX or a subsidiary of ASX that ASX determines is to act as an intermediary; or
- (b) another entity which has entered into all necessary agreements and arrangements for use of the ASX World Link service, the protection of investors and the integrity of the market and which has been approved by ASIC to act as an intermediary:
  - (i) for Market Participants in order to facilitate placing Orders, Order execution, clearing and settlement of Participating Overseas Securities through the ASX World Link service; or
  - (ii) for an Overseas Portal Dealer to facilitate placing orders, order execution, clearing and settlement of Participating ASX Cash Market Products through the ASX World Link service.

Introduced 11/03/04 Amended 28/11/05

**"Position Limit"** means a limit set by ASX under rule 25.1.1 or a position limit set by an Approved Clearing Facility under the Clearing Rules.

**"Portfolio Special Crossing"** means, in relation to Cash Market Products, a Special Crossing effected pursuant to Rule 18.3.

Introduced 11/03/04 Amended 28/11/05

**"Pre-CSPA Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05

**"Pre-Night Trading Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05

**"Pre-Notice Received Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05

**"Pre-Open Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05

**"Pre-Opening Phase" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"Premium"** means the consideration paid by the Buyer of an Options Market Contract to the Seller for the Options Market Contract.

Introduced 11/03/04 Amended 28/11/05

**"Prescribed Person"** means, in relation to a Market Participant:

- (a) an Employee, a director, a partner, an Affiliate or Responsible Executive of the Market Participant;
- (b) a Controller of the Market Participant or a Related Body Corporate of that Controller;
- (c) the Immediate Family of a person referred to in paragraphs (a) or (b);
- (d) a Family Company and a Family Trust of a person referred to in paragraphs (a) to (c); and
- (e) where a Market Participant or a person referred to in paragraphs (a) to (d) is a body corporate, any body corporate or other entity controlled by that body corporate.

**"Price Quotation Factor"** means:

- (a) in relation to Derivatives Market Contracts, the Contract Size;
- (b) (subject to (c)), in relation to Cash Market Products, one;
- (c) in relation to Cash Market Products that are components of a Derivatives Combination, the highest Price Quotation Factor of a Derivative Market Contract that is a component of the Combination.

Introduced 28/11/05

**"Price Step"** means the minimum bid increment that can be entered on a Trading Platform as set out in the Procedures.

Introduced 11/03/04 Amended 28/11/05

**"price/time priority" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"Principal"**, in the context of "as Principal" has the meaning given to that expression in Rule 7.3.5.

**"Principal Trader"** means a Market Participant with Trading Permission for one or more Products which limits it to trading on its own behalf.

Introduced 11/03/04 Amended 28/11/05

**"Prior Bid"** means, in relation to a Bid, another Bid that is ranked higher than it In Price/Time Priority.

Introduced 28/11/05

**"Prior Offer"** means, in relation to an Offer, another Offer that is ranked higher than it In Price/Time Priority.

Introduced 28/11/05

**"Priority Bid"** means, in relation to a set of Bids, the highest ranked Bid In Price/Time Priority.

Introduced 28/11/05

**"Priority Crossing"** is a Crossing of Cash Market Products carried out in accordance with Rule 17.2.4.

Introduced 11/03/04 Amended 28/11/05

**"Priority Offer"** means, in relation to a set of Offers, the highest ranked Offer In Price/Time Priority;

Introduced 28/11/05

**"Procedures"** means any document, electronic file or other information (recorded by any mode of representing words or reproducing words) approved by ASX and given where applicable to Regulated Persons and third party providers in accordance with Rule 1.3 and, without limitation, includes the ASX Market Rule Procedures as amended from time to time.

**"Product"** means a Cash Market Product or a Derivatives Market Contract (as applicable).

Introduced 11/03/04 Amended 28/11/05

**"Public Securities"** means Loan Securities where the Issuer is:

- (a) the Commonwealth Government;
- (b) the Government of a State or Territory of Australia;

- (c) a municipal body corporate, other local governing body or public authority constituted by or under a law of the Commonwealth or of a State or Territory of Australia;
- (d) a body corporate controlled by a government described in paragraphs (a) or (b), the principal business of which is the supply and distribution, by a system of reticulation, in Australia or in a Territory of water, gas or electricity;
- (e) a government business enterprise of the Commonwealth Government or the Government of a State or Territory of Australia;

but does not include Loan Securities:

- (f) where the Issuer is a body referred to in paragraphs (a), (b) or (c) and the Securities are issued in respect of a loan raised outside Australia and the Territories unless there is in force a declaration by the Treasury, published in the Gazette, that those Securities will be public securities for the purposes of the Income Tax Assessment Act; and
- (g) issued after 12 April 1976 by a bank.

**"Purge Orders Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/11/05

**"Qualifying Bid or Offer"** means, in relation to an Auction, a Bid or Offer in the Trading Platform at the commencement of the Auction.

Introduced 11/03/04 Amended 28/11/05

**"Quote Request"** means an electronic request from a Trading Participant or ASX to make a market for a specified Contract Series or Combination.

Introduced 11/03/04 Amended 28/11/05

**"Quoted Product"** means a Financial Product that has been granted Official Quotation under the Listing Rules and includes an Equity Security and a Loan Security.

Amended 28/11/05

**"Reciprocal Arrangement"** means any agreement or arrangement between ASX and any governmental agency or regulatory authority (including, without limitation, an exchange, market operator, clearing house or clearing and settlement facility) in Australia or elsewhere whose functions include the regulation of trading in, or clearing and settlement of Financial Products (in Australia or elsewhere) which provides for the disclosure of information between ASX and the other party in relation to dealings in, or clearing and settlement of, derivatives or securities (in Australia or elsewhere).

**"Recognised Overseas Stock Exchange"** means a Recognised Stock Exchange whose principal place of business is located outside Australia.

**"Recognised Stock Exchange"** means an exchange or market listed in the Procedures.

**"Record Date"** has the meaning given to it in the Listing Rules.

**"Recorded Buyer"** means a Trading Participant who, at Trading Close, has an order displayed in the Central Orderbook or the Bulletin Board to enter into a Derivatives Market Transaction as the Buyer in a single Contract Series or Combination at the price the Trading Participant referred to in Rule 21.6.2 intends to enter into Derivatives Market Transactions as a Seller in that single Contract Series or Combination, or at a better price. For Combinations, a "Recorded Buyer" includes Trading Participants with Bids and Offers displayed in the Central Orderbook in the component single Contract Series which, taken with the best Bids and Offers displayed in the Central Orderbook for the other component Contract Series of the Combination, is at the same price or a better price.

Introduced 11/03/04 Amended 28/11/05

**"Recorded Seller"** means a Trading Participant who, at Trading Close, has an order displayed in the Central Orderbook or the Bulletin Board to enter into a Derivatives Market Transaction as the Seller in a single Contract Series or Combination at the price the Trading Participant referred to in Rule 21.6.2 intends to enter into Derivatives Market Transactions as a Buyer in that single Contract Series, or Combination, or at a better price. For Combinations, a "Recorded Seller" includes Trading Participants with Bids and Offers displayed in the Central Orderbook in the component single Contract Series which, taken with the best Bids and Offers displayed in the Central Orderbook for the other component Contract Series of the Combination, is at the same price or a better price.

Introduced 11/03/04 Amended 28/11/05

**"Reference Manual" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"Register of Warrant-Holders"** means the register of Warrant-Holders maintained in accordance with Rule 10.7.4.

**"Regulated Person"** means a Market Participant or a Responsible Executive.

**"Related Body Corporate"** has the same meaning set out in Section 50 of the Corporations Act.

**"Related Party"** means:

- (a) in relation to a body corporate:
  - (i) the meaning in Section 228 of the Corporations Act; or
  - (ii) a Substantial holder of the body corporate;
- (b) in relation to a trust, which is not a registered management investment scheme, the management company, trustee and their related parties within the meaning of Section 228 of the Corporations Act;
- (c) in relation to a trust which is a registered managed investment scheme, the responsible entity and a related party of the responsible entity under Section 228 of the Corporations Act, as modified by Section 601LA of the Corporations Act;
- (d) in relation to a person:

- (i) his or her spouse, de facto spouse, parent, son, or daughter, or a spouse or de facto spouse of that person;
- (ii) an entity over which one or more of the persons referred to in paragraph (i) has control;
- (iii) an entity that he or she controls, or its holding company or which is controlled by the holding company;
- (iv) a person who acts, or proposes to act, in concert with anyone referred to above;
- (v) a person who was a related party in the previous 6 months, or who would be a related party in the future, under the tests in Section 228 of the Corporations Act (applied with any necessary adaptation).

Amended 19/08/09

**"Relative"**, in relation to a person, means the spouse, parent or remoter lineal ancestor, son or daughter or remoter issue, or brother or sister of that person.

**"Relevant Period"** means the period determined by ASX and notified to Market Participants during which Market Makers are required to make markets.

**"Relevant Clearing Participant"** means, in relation to a Trading Participant:

- (a) where the Trading Participant is not itself a Clearing Participant and has a third party clearing arrangement with only one Clearing Participant to clear all of its Market Transactions in a class of Product, that Clearing Participant; and
- (b) where the Trading Participant is itself a Clearing Participant and clears all of its Market Transactions in a class of Products, itself; and
- (c) where the Trading Participant has third party clearing arrangements with more than one Clearing Participant, or is itself a Clearing Participant and has third party clearing arrangements with other Clearing Participants to clear its Market Transactions in a class of Product, the Clearing Participant which it has identified through the Open Interface Device in respect of the Market Transaction.

Introduced 09/12/04 Amended 28/11/05

**"Renewal Date"** means the date set out in the Procedures on which the accreditation of an Accredited Adviser may be renewed by ASX under Rule 8.8.

**"Representative"**, in relation to a Market Participant, means a "representative" within the meaning of Section 910A of the Corporations Act.

**"Residual Amount"** means the amount of an Iceberg Order that has not been matched from time to time.

Introduced 28/11/05

**"Responsible Executive"** means at any time, in relation to a Market Participant, an individual who is shown as having executive responsibility for the supervision and control of all or part of the business of that Market Participant in the copy of the Market



Participant's management structure provided to ASX or who is otherwise notified to ASX from time to time as having that responsibility.

"Retail Client" means a "retail client" as defined in Section 761G of the Corporations Act.

"Risk Based Capital Requirements" means the requirements set out in Schedule 1A.

"Rules" means these rules.

"Scheme" means a compromise or arrangement within the meaning of Section 411 of the Corporations Act (and, in respect of an Issuer incorporated or established outside Australia, any similar form of compromise or arrangement under the Act of the jurisdiction of incorporation or establishment) which has, in the opinion of ASX, a similar result to an Off-Market Bid or Market Bid.

"SEATS" – [Deleted]

Introduced 11/03/04 Deleted 28/11/05

"Security" or "security":

- (a) in Section 9, has the meaning given in Section 761A of the Corporations Act; and
- (b) elsewhere, means:
  - (i) a "security" within the meaning of Section 761A of the Corporations Act; or
  - (ii) a managed investment product.

"Seller" means, in relation to a Derivatives Market Transaction, the Trading Participant whose sell or offer instruction, order or other Trading Message has resulted in the Derivatives Market Transaction being entered into in accordance with Rule 21.2.2, whether or not in connection with any other Crossing, Derivatives Market Transaction or any transaction in any Cash Market Product or Non-ASX Contract and includes the writer of an Options Market Contract.

Introduced 11/03/04 Amended 28/11/05

"Session State" means, in respect of a Trading Platform, a Session State specified by ASX during which trading will take place in accordance with the parameters specified by ASX. Unless otherwise specified the parameters specified in the Procedures to Section 31.4.4 will apply.

Introduced 28/11/05

"Settlement Rules" means the operating rules, procedures, practices, directions, decisions and requirements of an Approved Settlement Facility.

"Short Sale" means a sale of a Financial Product which is a "Section 1020B product", within the meaning of Section 1020B of the Corporations Act, where at the time of sale the seller does not have a presently exercisable and unconditional right to vest the Financial Product in the buyer other than by reason solely of the sale constituting a Conditional Sale and cognate expressions have a corresponding meaning.

"**Small Parcels**" is defined in Rule 16.14.1.

"**Special Crossing**" means a Crossing effected in accordance with Section 18 or Rule 22.3.

Introduced 28/11/05

"**Special Size**" means, in relation to Cash Market Products or Derivatives Market Contracts or Combinations (as applicable), the amount set out in the Procedures.

Introduced 11/03/04 Amended 28/11/05

"**Standard Combination**" means a Combination prescribed by ASX as a Standard Combination under Rule 21.3.2.

"**State of Emergency**" means any of the following:

- (a) fire, power failure or restriction, communication breakdown, accident, flood, embargo, boycott, labour dispute, unavailability of data processing or any other computer system or facility, act of God;
- (b) act of war (whether declared or undeclared) or an outbreak or escalation of hostilities in any region of the world which in the opinion of ASX prevents or significantly hinders the operation of the market;
- (c) an act of terrorism; or
- (d) other events which, in the opinion of ASX prevents or significantly hinders the operation of the market.

"**Structured Product**" means a Security or Derivative:

- (a) which gives the holder financial exposure to the performance of one or more Underlying Instruments;
- (b) the value of which is linked to the performance of those Underlying Instruments; and
- (c) whereby investors do not have day to day control over the operation of the entity which issues or provides the Security or Derivative.

Introduced 15/09/08

"**Substantial holder**":

- (a) for the purposes of Rules 7.3.5 and Schedule 1A, when used to refer to a Substantial holder in a corporation, means a person who has or would have a substantial holding if Part 6C of the Corporations Act applied to that corporation; and
- (b) for the purposes of any other Rule includes a reference to:
  - (i) a person who has a relevant interest in not less than 5% of a class of non voting shares of the relevant company or its holding company; and

- (ii) each person who has a relevant interest in voting shares and non voting shares of the relevant company or its holding company and whose aggregate holdings exceed 5% in number of the voting shares on issue of the relevant company or its holding company.

**"System Maintenance Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 19/08/09

**"Tailor-Made Combination"** means a Combination specified to be a Tailor-Made Combination under Rule 31.2.5, as amended under Rule 31.2.6 and not removed under Rule 31.2.6.

Introduced 11/03/04 Amended 28/11/05

**"Takeover Bid"** means an Off-Market Bid or Market Bid.

**"Takeover Offer"** means:

- (a) a takeover offer within the meaning of the Corporations Act and in respect of an Issuer incorporated or established outside Australia, any similar form of offer; and
- (b) a Scheme.

**"Target"** means:

- (a) in relation to an Off-Market Bid or Market Bid, a target within the meaning of the Corporations Act and, in respect of an Issuer incorporated or established outside Australia, the equivalent entity; and
- (b) in relation to a Scheme, the entity or entities, which in the opinion of ASX, is in a similar position to a target.

**"TCD"** means a transferable certificate of deposit.

**"Terms of Issue"** means:

- (a) in relation to Warrants, rights, conditions and obligations of the Warrant-Issuer and the Warrant-Holder as documented by the Warrant-Issuer and not objected to by ASX; and
- (b) in relation to AQUA Products, rights, conditions and obligations of the AQUA Product Issuer and the AQUA Product Holder as documented by the AQUA Product Issuer and not objected to by ASX.

Amended 15/09/08

**"Throughput Capacity"** means the number of transactions per second which can be processed through an Open Interface Device.

**"Traded Products" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

"**Trader Workstation**" means a personal computer with Trader Workstation Software installed.

"**Trader Workstation Software**" means the software product provided by ASXO for use by Trading Participants which provides a Trader Workstation with the functionality necessary to use the Open Interface for trading on a Trading Platform.

"**Trading Close**" means the time determined by ASX and notified to Trading Participants as the time on each Trading Day at which the entry of orders into a Trading Platform must cease.

Introduced 11/03/04 Amended 28/11/05

"**Trading Day**" means a day determined by ASX to be a Trading Day and notified to Market Participants.

"**Trading Halt Session State**" means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 11/03/04 Amended 28/11/05

"**Trading Hours**" means the times on a Trading Day determined by ASX and notified to Trading Participants as the times between which Market Transactions may be entered into by Trading Participants on a Trading Platform.

Introduced 11/03/04 Amended 28/11/05

"**Trading Messages**" means those messages submitted into a Trading Platform relating to trading functions, such as Orders, amendment or cancellation of Orders and the reporting or cancellation of Market Transactions on the Trading Platform.

"**Trading Participant**" means a Market Participant which has Trading Permission in respect of one or more Products.

Amended 28/11/05

"**Trading Permission**" means the right to submit Trading Messages in a Trading Platform.

Amended 28/11/05

"**Trading Platform**" means a platform made available by ASX to Trading Participants for the entry of Trading Messages, the matching of Orders, the advertisement of invitations to trade and the reporting of transactions.

Introduced 11/03/04 Amended 28/11/05

"**Trading Status**" means authorisation by ASX for a Warrant or AQUA Product to be traded on the Market.

Amended 15/09/08

"**Tribunal**" means the Disciplinary Tribunal or the Appeal Tribunal (as applicable).

"**Tribunal Panel**" means the panel established under Rule 28.13.

**"Underlying Commodity"** means in relation to a Derivatives Market Contract, the commodity which underlies that contract as determined by ASX.

Introduced 11/03/04 Amended 28/11/05

**"Underlying Financial Product"** means in relation to a Derivatives Market Contract, the Financial Product underlying that contract as determined by ASX.

Introduced 11/03/04 Amended 28/11/05

**"Underlying Futures Contract" – [Deleted]**

Introduced 11/03/04 Deleted 28/11/05

**"Underlying Index"** means in relation to a Derivatives Market Contract, the index which underlies that contract, as determined by ASX.

Introduced 11/03/04 Amended 28/11/05

**"Underlying Instrument"** means in relation to Option Series and Futures Series, the instrument which underlies that Option Series or Futures Series as determined by ASX; in relation to Warrants means the Financial Product, index, foreign or Australian currency or commodity which underlies that Warrant; and in relation to AQUA Products means the Financial Product, index, foreign or Australian currency, commodity or other point of reference for determining the value of the AQUA Product.

Introduced 11/03/04 Amended 28/11/05, 15/09/08

**"Underlying Market"** in relation to a Derivatives Market Contract, means a market in the instruments, commodities, securities or other things which underlie the Derivatives Market Contract.

Introduced 11/03/04 Amended 28/11/05

**"Undisclosed Order"** means a Bid or Offer in accordance with Rule 31.9.6.

Introduced 28/06/10

**"Undisclosed Portion"** means that portion of an Iceberg Order which is not disclosed to the Market by a Trading Platform.

Introduced 28/11/05

**"Unprofessional Conduct"** includes:

- (a) conduct which amounts to impropriety affecting professional character and which is indicative of a failure either to understand or to practise the precepts of honesty or fair dealing in relation to other Market Participants, clients or the public;
- (b) unsatisfactory professional conduct, where the conduct involves a substantial or consistent failure to reach reasonable standards of competence and diligence; and
- (c) conduct which is, or could reasonably be considered as likely to be, prejudicial to the interests of ASX or its Market Participants,

by a Market Participant, or an Employee, whether in the conduct of the Market Participant's business as a Market Participant or in the conduct of any other business (and need not involve a contravention of these Rules, the Procedures or any law).

**"VolumeMatch Book"** means a facility which forms part of the Trading Platform for matching large Orders for Cash Market Products at a price which is predetermined by ASX in accordance with Rule 31.13.6.

Introduced 28/06/10

**"Wait\_VMB Session State"** means the Session State of that name described in the Procedures to Rule 31.4.4.

Introduced 28/06/10

**"Warrant"** means:

- (a) a financial instrument which gives the holder of the instrument the right:
  - (i) to acquire the Underlying Instrument; or
  - (ii) to require the Warrant-Issuer to acquire the Underlying Instrument;
  - (iii) to be paid by the Warrant-Issuer an amount of money to be determined by reference to the amount by which a specified number is greater or less than the number of an index; or
  - (iv) to be paid by the Warrant-Issuer an amount of money to be determined by reference to the amount by which the price or value of the Underlying Instrument is greater than or less than a specified price or value,in accordance with the Terms of Issue and Section 10; or
- (b) any other Financial Product that is a "warrant" within the meaning given that term in Corporations Regulation 1.0.02 (as modified by any class order that ASIC may issue from time to time) and which ASX determines to be a Warrant for the purposes of this definition, as notified to Trading Participants.

**"Warrant-Holder"** means the holder of a Warrant.

**"Warrant-Issuer"** means an entity approved by ASX to issue Warrants in accordance with Section 10.

**"Warrant Series"** means all Warrants with the same Underlying Instrument and having the same Warrant-Issuer, Guarantor (if applicable), and Terms of Issue.

**"Wholesale Client"** has the meaning set out in Section 761G of the Corporations Act.

**"Wholesale Client Agreement"** means the agreement between a Trading Participant and a client lodged with an Approved Clearing Facility in accordance with Rules 7.1.4(d) and 7.1.5(b).

**"Wholesale Loan Securities"** means Loan Securities for which the minimum value of a Bid or Offer is \$500,000.

**"Wholesale Loan Securities Bulletin Board"** means the electronic mechanism which displays Bids and Offers for Wholesale Loan Securities but does not provide the mechanism for execution or settlement of transactions in the Wholesale Loan Securities displayed.

**"Wholesale Loan Securities Market"** means the part of a Bulletin Board of a Trading Platform in which invitations to deal in Wholesale Loan Securities may be entered.

Introduced 11/03/04 Amended 28/11/05

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