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SECTION 12 TRADING PERMISSION

Section 12 sets out the process by which Market Participants may apply for, and ASX may grant, Trading Permission.

Trading Permission confers the right to submit Trading Messages into a Trading Platform of ASX.

The section provides for the grant of Trading Permission in respect of one or more specified Products. Trading Permission may be granted subject to conditions, including a condition limiting a Market Participant to enter into Market Transactions, in respect of one or more Products, on its own behalf.

The section also provides for the allocation of unique identifiers to Trading Participants, DTRs and Open Interface Devices and empowers ASX to suspend or withdraw or to terminate the Trading Permission of substantially inactive Trading Participants.

12.1 TRADING PERMISSION

12.1.1 Application for Trading Permission

ASX may, upon receipt of an application in writing from a Market Participant in the form set out in the Procedures, give the Market Participant Trading Permission in respect of one or more Products, if ASX considers it appropriate having regard to:

- (a) the matters set out in Rule 1.13;
- (b) whether it is satisfied that, upon grant of such Trading Permission, the applicant will:
 - (i) have in place and maintain adequate clearing and settlement arrangements;
 - (ii) have the technical capacity and knowledge required to exercise the Trading Permission without prejudice to the integrity of the Market; and;
 - (iii) comply with any capital requirements to which the applicant will be subject pursuant to these Rules.

Introduced 11/03/04 Origin ASX 7.5.1.1, ASXF 9.1.1 Amended 28/11/05

12.1.2 Principal Trader condition

In its application, a Market Participant may apply for Trading Permission as a Principal Trader in relation to one or more Products which is limited to allowing it to only enter into Market Transactions on its own behalf. If ASX gives the Market Participant the Trading Permission for which it applies, that Trading Permission will then be subject to a condition that, in relation to the relevant Products, the Market Participant only enter into Market Transactions for itself. ASX will notify the Market Participant of any condition imposed under this Rule 12.1.2 in writing.

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

12.1.3 Other conditions

ASX may give Trading Permission subject to any conditions it considers appropriate having regard to Rule 1.13. ASX will notify the Market Participant of any condition imposed under this Rule 12.1.3 in writing.

Introduced 11/03/04

12.1.4 Breach of a condition is a breach of the Rule

If a Market Participant breaches a condition imposed by ASX on that Market Participant's Trading Permission under Rule 12.1.2 or 12.1.3, a breach of that condition constitutes a breach of the applicable Rule.

Introduced 11/03/04

12.1.5 Breach of condition does not automatically terminate Trading Permission

If ASX imposes a condition on a Market Participant's Trading Permission under Rule 12.1.2 or 12.1.3, a breach of that condition by the Market Participant does not automatically result in the termination of the Market Participant's Trading Permission. Any breach of a condition is dealt with as a breach of a Rule under Rule 28.3.

Introduced 11/03/04

12.1.6 Appeal

An applicant may appeal to the Appeal Tribunal against a decision to reject its application for Trading Permission in accordance with the provisions of the Australian Securities Exchange Disciplinary Processes and Appeals Rulebook.

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

12.1.7 Scope of Trading Permission

Notwithstanding any other provision of these Rules, a Market Participant may only enter Trading Messages in accordance with an appropriate Trading Permission.

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

12.2 SUSPENSION OR WITHDRAWAL OF TRADING PERMISSION

12.2.1 In whole or part

ASX may, in accordance with the Rules, suspend or withdraw the Trading Permission of a Market Participant in whole or part.

Introduced 11/03/04 Origin ASX 7.5.1.2, ASXF 9.1.2

12.3 THROUGHPUT CAPACITY

12.3.1 Trading Participant entitled to maximum Throughput Capacity

Subject to ASX's powers under Rule 14.4.1, a Trading Participant is entitled to the maximum Throughput Capacity set out in the Procedures.

Introduced 11/03/04 Origin ASX 7.5.1.3, ASXF 9.1.3

12.4 SUBSTANTIALLY INACTIVE TRADING PARTICIPANTS

12.4.1 ASX may give notice

Where ASX considers that a Trading Participant has been substantially inactive in respect of a particular Product for a continuous period of 6 months, ASX may notify the Trading Participant that it intends to terminate the Trading Participant's Trading Permission in respect of that Product.

Introduced 11/03/04 Origin ASX 5.4.1 Amended 28/11/05

12.4.2 Meaning of substantially inactive

For the purpose of this Rule 12.4, in determining whether a Trading Participant is "substantially inactive", ASX may take into account the number of Market Transactions the Market Participant has entered into during the relevant period.

Introduced 11/03/04

12.4.3 Trading Participant may make submissions

On receipt of a notice given under Rule 12.4.1, the Trading Participant may make written submissions to ASX explaining why, in its view, the Trading Participant's Trading Permission in relation to that Product should not be terminated. Any written submission must be received by ASX within 10 Business Days following receipt of the notice from ASX, unless ASX grants an extension.

Introduced 11/03/04 Origin ASX 5.4.2 Amended 28/11/05

12.4.4 Termination of Trading Permission if no submission received

Where no submission is received by ASX under Rule 12.4.3, ASX may terminate the Trading Participant's Trading Permission in relation to that Product following the end of the 10 Business Day period referred to in that Rule.

Introduced 11/03/04 Origin ASX 5.4.3 Amended 28/11/05

12.4.5 Termination of Trading Permission if submission received

Where a submission is received by ASX under Rule 12.4.3, ASX may terminate the Trading Participant's Trading Permission in relation to that Product if ASX is not satisfied that the Trading Participant will cease to become substantially inactive within a further 20 Business Days following the receipt of the submission. If the Trading Participant remains substantially inactive during that period, ASX may terminate the Trading Participant's Trading Permission in relation to that Product following the end of that further period.

Introduced 11/03/04 Origin ASX 5.4.4 Amended 28/11/05

12.5 ALLOCATION OF UNIQUE IDENTIFIERS

12.5.1 ASX will allocate unique identifiers

ASX will allocate at least one unique identifier to each:

- (a) Trading Participant;
- (b) DTR; and
- (c) Open Interface Device.

Introduced 11/03/04 Origin ASX 2.3.4(1) Amended 28/11/05

12.5.2 Trading Participant must allocate unique identifier

A Trading Participant must allocate a unique identifier to each:

- (a) computer or other device which can connect to an Open Interface Device of a Trading Participant; and
- (b) DTR and Authorised Person of that Trading Participant.

Introduced 11/03/04 Origin ASX 2.3.4(2)

12.6 TRADING MESSAGES

12.6.1 Unique identifier to be included – [Deleted]

Introduced 11/03/04 Origin ASX 2.2.7(2) Deleted 28/11/05