

## SECTION 26 WHOLESALE LOAN SECURITIES

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## **SECTION 26      WHOLESALE LOAN SECURITIES**

Section 26 sets out specific rules for the Wholesale Loan Securities Market.

### **26.1      APPLICATION OF SECTION 16**

#### **26.1.1      Effect of Rule**

Rule 16.2.1 does not apply to dealings in Wholesale Loan Securities made in accordance with this Section 26. This Section 26 regulates the rights and obligations of Trading Participants who use the information displayed on the Wholesale Loan Securities Market to execute transactions.

Introduced 11/03/04   Origin ASX 2D.2.1, 2D.2.2

#### **26.1.2      Trading Participants must enter a Bid and an Offer**

If a Trading Participant wishes to deal with another Trading Participant that has entered a Bid or Offer (whichever is applicable) in the Wholesale Loan Securities Market, the Trading Participant must also have entered an Offer or Bid (whichever is applicable) in the same class of Wholesale Loan Securities.

Introduced 11/03/04   Origin ASX 2D.2.3

### **26.2      DEALINGS IN THE WHOLESALE LOAN SECURITIES MARKET**

#### **26.2.1      Application of Rule 26.2**

This Rule 26.2 applies to transactions in Wholesale Loan Securities quoted on the Wholesale Loan Securities Market instead of Rule 31.4.

Introduced 11/03/04   Origin ASX 2D.4.1   Amended 28/11/05

#### **26.2.2      Minimum value**

All Bids or Offers entered into the Wholesale Loan Securities Market must be for the value of at least \$500,000.

Introduced 11/03/04   Origin ASX 2D.4.2

#### **26.2.3      Prohibition on consolidation of orders**

A Trading Participant must not aggregate client Orders which individually have a value of less than \$500,000 so as to be able to place one consolidated Order in the Wholesale Loan Securities Market under Rule 26.2.2.

Introduced 11/03/04   Origin ASX 20.4.3

#### **26.2.4      Priority of Orders – [Deleted]**

Introduced 11/03/04   Origin ASX 20.4.4   Deleted 28/11/05

### **26.2.5 Remaining Offer less than certain value**

Where a transaction in Wholesale Loan Securities entered into between a buying Trading Participant and a selling Trading Participant results in the selling Trading Participant having a remaining Offer with a value of less than \$500,000, then the selling Trading Participant will either:

- (a) amend the Offer so that it is not less than \$500,000; or
- (b) remove the Offer from the Wholesale Loan Securities Market.

Introduced 11/03/04 Origin ASX 20.4.5 Amended 19/08/09

### **26.2.6 Trading Participant chooses counterparty**

A Trading Participant that wishes to participate in the Wholesale Loan Securities Market must choose the counterparty with which it wishes to trade, subject to the following:

- (a) the Trading Participant must enter a Bid or Offer (whichever is applicable) into the Wholesale Loan Securities Market in respect of the class of Wholesale Loan Securities it wishes to trade;
- (b) the proposed counterparty must have entered a corresponding Offer or Bid (whichever is applicable) into the Wholesale Loan Securities Market in respect of the same class of Wholesale Loan Securities;
- (c) a Trading Participant must take immediate action to manually amend any Bid or Offer which is partly satisfied or remove any Bid or Offer which is fully satisfied; and
- (d) a Trading Participant who executes a transaction in accordance with Section 26 must notify that transaction to ASX in a manner specified in the Procedures. Such a notification will constitute confirmation of the transaction, however failure to notify the transaction will not affect the validity of the transaction.

Introduced 11/03/04 Origin ASX 20.4.6 Amended 28/11/05

### **26.2.7 Communication of Bids and Offers**

The Trading Participant may communicate the Bid or Offer (whichever is applicable) in Wholesale Loan Securities to sellers or buyers (whichever is relevant ) by telephone or any other form of communication acceptable to the parties. Any agreement arising from that communication must be able to be verified.

Introduced 11/03/04 Origin ASX 20.4.7

### **26.2.8 When transaction binding**

A transaction in respect of Wholesale Loan Securities will be binding from the time that both Trading Participants agree to the terms of the transaction.

Introduced 11/03/04 Origin 20.4.8

### **26.2.9 Reporting of transactions**

The provisions of Rule 16.12 do not apply to transactions in Wholesale Loan Securities.

Introduced 11/03/04 Origin 20.4.9

### **26.2.10 When transaction settled**

Unless otherwise agreed, the transaction in Wholesale Loan Securities will be settled at the time set out in the Procedures.

Introduced 11/03/04 Origin 20.4.10

## **26.3 NO NGF COVER FOR WHOLESALE LOAN SECURITIES TRANSACTIONS**

### **26.3.1 Not reportable transactions**

A transaction in Wholesale Loan Securities which is notified to ASX in accordance with Rule 26.2.6, will not constitute a “reportable transaction” for the purposes of National Guarantee Fund cover and will not be a reportable transaction for the purposes of Rule 16.12.

Introduced 11/03/04 Origin ASX 2D.5

## **26.4 CROSSINGS**

### **26.4.1 Application of Section 17 and Section 18**

Section 17 and Section 18 do not apply to the Wholesale Loan Securities Market.

Introduced 11/03/04 Origin ASX 2D.6.1

### **26.4.2 Trading Participant must notify ASX of a Crossing**

A Trading Participant who initiates a Crossing in Wholesale Loan Securities must notify the Crossing to ASX in the manner set out in the Procedures.

Introduced 11/03/04 Origin ASX 2D.6.2

## **26.5 SUSPENSIONS**

### **26.5.1 Suspension of Wholesale Loan Security**

If a Wholesale Loan Security is suspended from quotation and placed in suspend (which phase will be governed by the Rules applicable to suspend in Rule 16.4.1), no trading can take place in relation to those Wholesale Loan Securities without the written permission of ASX.

Introduced 11/03/04 Origin ASX 2D.7.1

### **26.5.2 Trading Permission suspended**

If the Trading Permission of a Trading Participant is suspended either generally or in respect of Wholesale Loan Securities, in accordance with Section 12 or Section 14 then

the Trading Participant will also be prohibited from seeking to enter into transactions in the Wholesale Loan Securities Market pursuant to this section 26.

Introduced 11/03/04 Origin ASX 2D.7.2 Amended 28/11/05

### **26.5.3 Suspension of the Wholesale Loan Securities Market or Wholesale Loan Securities**

If ASX considers it is appropriate having regard to Rule 1.13, it may suspend the operation of the Wholesale Loan Securities Market generally, or the Wholesale Loan Securities Market in relation to a particular Wholesale Loan Security or class of Wholesale Loan Securities.

Introduced 11/03/04 Origin ASX 2D.7.3

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