



Register of ASX Operating Warrant and AQUA Rule Waivers

16 to 31 December 2015

The purpose of this register is to record when ASX has exercised its discretion and granted a waiver from the ASX Operating Warrant and AQUA rules. Waivers are published bi-monthly and include information such as:

- Organisation**
- Rule Number**
- Decision Details**
- Basis for Decision**

**For all product enquiries, please contact:
- Customer Service Centre on 131 279**

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| Rule Number | 10A.3.3(c) |
| Date | 7/12/2015 |
| ASX Code | VAE |
| Listed Company | VANGUARD FTSE ASIA EX JAPAN SHARES INDEX ETF |
| Waiver Number | WLC150517-001 |
| Decision | <p>1. Based solely on the information provided, ASX Compliance Pty Ltd on behalf of ASX Limited ("ASX") grants Vanguard Investments Australia Limited (the Issuer) a waiver from ASX Operating Rules Schedule 10A.3.3(c)(i) to the extent necessary to permit the Issuer to include securities in the Vanguard FTSE Asia Ex Japan Shares Index ETF which tracks the performance of the FTSE Asia Pacific ex Japan, Australia and New Zealand Index (which is the underlying instrument), securities that are traded on the London Stock Exchange ("LSE").</p> |
| Basis For Decision | <p>Underlying Policy AQUA Products admitted to Trading Status or to the Quote Display Board require the capital value or distributions to be linked to underlying instruments which have a robust and transparent pricing mechanism. Such requirements ensure the admission of quality AQUA products, protects investors' interests and maintains the integrity of the AQUA market. ASX Operating Rules Schedule 10A.3.3(c)(i) requires the capital value or distribution of the Financial Product must be linked to underlying instruments which are securities, debentures, bonds or financial products pursuant to s764(1)(a)(ba) of the Corporations Act (2001) (Cth) that relate to a managed investment scheme regulated under the laws of another jurisdiction, traded on an exchange which is a member of the World Federation of Exchanges ("WFE") or Federation of European Securities Exchanges ("FESE").</p> <p>Present Application The Issuer is seeking to issue a new AQUA Product. The securities which constitute the FTSE Asia Pacific ex Japan, Australia and New Zealand Index ("Index") are traded on exchanges approved under the AQUA Rules except for securities that are traded on the LSE and the Karachi Stock Exchange ("KSE") which are not members of the World Federation of Exchanges ("WFE") or the Federation of European Securities Exchanges ("FESE"). The LSE is a prime exchange in its jurisdiction with a mature, developed and reputable financial market which continuously disclose prices and values of their quoted securities and from which the prices of quoted securities can be immediately ascertained via external pricing sources. LSE is considered to be a financial market equivalent to those members of the WFE or the FESE and accordingly a waiver in relation to securities traded on the LSE is considered acceptable. Securities which constitute the Index will also be traded on KSE. The Issuer has confirmed that the Fund will not hold any securities that are traded on KSE and therefore no waiver of ASX Operating Rules Schedule 10A.3.3(c)(i) is required in relation to the securities traded on KSE.</p> |