



# ASX OPERATING RULES

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## SECTION 1 ACCESS TO THE MARKET

### ADMISSION OF MARKET PARTICIPANTS

- [1000] For an applicant to be eligible for admission as a Market Participant, the applicant must lodge an application in the form prescribed by ASX and satisfy ASX that it:
- (a) is a body corporate carrying on business in its own right and not as a trustee of a trust;
  - (b) holds an Australian Financial Services Licence which authorises it to carry on its business as a Market Participant (unless such a licence is not required by the Corporations Act);
  - (c) is of high business integrity;
  - (d) has adequate resources and processes to comply with its obligations as a Market Participant under these Rules;
  - (e) has adequate resources and processes to prevent any action or inaction which might result in a market for a Product not being both fair and orderly;
  - (f) has adequate resources and processes to prevent any action or inaction which might interfere with the operational efficiency or proper functioning of the Trading Platform; and
  - (g) has in place and will maintain adequate clearing arrangements in accordance with Rule [1003] and Schedule 1.

For these purposes, “resources” include financial, technological and human resources and “processes” include management supervision, training, compliance, risk management, business continuity and disaster recovery processes.

In assessing whether an applicant meets these requirements, ASX may have regard to the matters set out in the Procedures and to any other matters it considers appropriate.

Amended 01/01/12, 15/06/15

- [1001] An applicant proposing to be:
- (a) admitted as a Principal Trader must be proposing only to conduct Market Transactions on its own behalf; and/or
  - (b) registered as a Market Maker under Rule [3440] must hold an Australian Financial Services Licence which authorises it to carry on its business as a Market Participant or satisfy ASX that it is exempt from the requirement to hold such a licence.

Amended 15/06/15

- [1002] If an applicant is incorporated or intends to carry on any part of its business as a Market Participant outside Australia, then ASX may impose additional requirements for it to be eligible for admission as a Market Participant, including (but not limited to) those specified in the Procedures.

Amended 15/06/15

- [1003] Rules in relation to clearing arrangements are set out in Schedule 1. All Trading Participants are required to comply with that Schedule and ASX has the powers specified in that Schedule.

## **TRADING**

[1100] Trading Messages may only be entered into a Trading Platform by a Trading Participant and in accordance with an appropriate Trading Permission.

### **Products**

[1110] A Market Participant may apply for, and ASX may give to a Market Participant, a Trading Permission in respect of one or more Products if ASX considers it appropriate and is satisfied that the applicant will have in place and maintain adequate clearing arrangements in accordance with Rule [1003] and Schedule 1 for those products and have the technical capacity and knowledge required to exercise the Trading Permission for those Products and will meet any other requirements set out in the Procedures. A Market Participant which has Trading Permission in respect of one or more products is referred to as a Trading Participant.

### **Trading Platform**

[1120] A Trading Participant may apply for, and ASX may give to a Trading Participant, Trading Permission in respect of one or more parts of the Trading Platform if ASX considers it appropriate and is satisfied that the applicant will have in place and maintain the technical capacity and knowledge required to exercise the Trading Permission and will meet any other requirements set out in the Procedures.

[1121] Deleted 19/02/24

### **Capacity**

[1130] Subject to ASX's powers under Rule [3130], a Trading Participant can apply for, and ASX may give, a Trading Permission for a maximum level of Throughput Capacity as set out in the Procedures if the Trading Permission meets any requirements set out in the Procedures.

### **Client access**

[1140] A Trading Participant may apply for, and ASX may give to a Trading Participant, Trading Permission to provide Type 1 Client Access if ASX considers it appropriate to give the Trading Permission and is satisfied that the applicant will have in place and maintain the required standards to exercise the Trading Permission and will meet any other requirements set out in the Procedures. Any Trading Messages submitted pursuant to this Trading Permission are considered to be submitted by the Trading Participant.

## **ADMISSION OR TRADING PERMISSION**

### **Grant of admission of Trading Permission**

[1200] The decision as to whether to grant admission as a Market Participant or grant a Trading Permission is at the absolute discretion of ASX. ASX may grant or refuse admission without giving any reasons.

### **Conditions**

[1210] When ASX admits a Market Participant or grants a Trading Permission it may at that time (or at any later time) impose any conditions on the admission or Trading Permission which it considers appropriate having regard to Rule [6120].

## ALLOCATION OF UNIQUE IDENTIFIERS

[1300] ASX will allocate one unique identifier to each:

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

[1301] A Trading Participant must allocate a unique identifier to each computer or other device which can connect to an Open Interface Device of a Trading Participant.

## ONGOING REQUIREMENTS

[1400] A Market Participant must at all times comply with the following general requirements:

- (a) continue to satisfy the applicable Admission Requirements (but subject to Rules [1500] to [1506]);
- (b) comply with any conditions imposed on a Market Participant under these Rules;
- (c) comply with the Rules, Procedures, directions, decisions and requirements of ASX;
- (d) not dispose, transfer, lease, assign or encumber any rights or obligations under these Rules, except as expressly permitted by these rules or with the prior written approval of ASX; and
- (e) notify ASX of the matters set out in the Procedures in the time and manner set out in the Procedures.

[1401] A Trading Participant must at all times comply with the following Operational Requirements:

- (a) have and maintain the necessary organisational and technical resources and competencies to ensure that:
  - (i) Trading Messages submitted by the Trading Participant do not interfere with the operational efficiency or proper functioning of the Trading Platform; and
  - (ii) the Trading Participant complies with the Rules, including any resources and competencies specified in the Procedures;
- (b) have arrangements in place so that at all times the Trading Participant can determine the origin of all Orders and Trading Messages including the matters specified in the Procedures;
- (c) maintain and enforce at all times appropriate security arrangements which are designed to prevent unauthorised entry of Trading Messages; and
- (d) maintain records of the matters set out in the Procedures for the time set out in the Procedures;

Amended 23/07/18

[1402] Deleted 19/02/24

## ONGOING COMPLIANCE FOR PARTNERSHIPS

[1500] Rule [1000](b) does not apply to a Market Participant which is a partnership but the other Admission Requirements (as modified by Rules [1500] to [1506]) apply.

- [1501] These Rules apply to the partnership as if it were a person. In addition, the obligations which are imposed on a Market Participant are imposed on each partner, jointly and severally, but may be discharged by any of the partners.
- [1502] Any breach of a Rule that would be a breach by the partnership, or by any partner, is taken to have been a breach by each partner.
- [1503] A change in the composition of the partnership does not affect the continuity of the partnership. No partner of a Market Participant may be a body corporate.
- [1504] Unless ASX accepts alternative arrangements or undertakings, each new partner of a Market Participant which is a partnership must have undertaken to ASX to, and to cause the Market Participant to, comply with and be bound by the Rules, directions, decisions and requirements of ASX to the extent necessary in connection with the business conducted or to be conducted by the Market Participant.
- [1505] All partners of a Market Participant must be resident in Australia.
- [1506] In applying the Rules to the partnership:
- (a) a reference to a "body corporate" is taken to be a reference to a "partnership";
  - (b) a reference in a Rule to a "director" is taken to be a reference to a "partner";
  - (c) a reference in a Rule to a "Related Body Corporate" of a Market Participant (or an applicant) is taken to be a reference to a "Related Party" of any partner;
  - (d) a reference in a Rule to an "Employee" or "Representative" is taken to also include a reference to a partner;
  - (e) a reference in a Rule to the Market Participant (or the applicant) being "incorporated" somewhere is taken to be a reference to them being "formed" there; and
  - (f) in paragraph (a) of the definition of "Controller" the reference to the total votes attached to voting shares is taken to be a reference to the total voting power in the partnership.

*Note: An Existing ASX Participant (as defined in Section 8) which is a partnership will be taken to be approved by ASX as a Market Participant under Rule [8100]. No new applications for admission by partnerships will be approved.*

## **RESIGNATION OF MARKET PARTICIPATION OR CESSATION OF TRADING PERMISSION**

- [1600] If a Market Participant wishes to resign as a Market Participant, it must:
- (a) give at least 20 Business Days' written notice to ASX of its intention to resign and the proposed date of resignation;
  - (b) satisfy ASX that it has taken, or will have taken before the proposed date of resignation, proper steps for the orderly winding down of its activities as a Market Participant; and
  - (c) comply with any reasonable direction of ASX in relation to the orderly winding down of its activities as a Market Participant.

[1600A] If a Market Participant wishes to cease a Trading Permission it must:

- (a) give at least 20 Business Days' written notice to ASX of its intention to cease a Trading Permission and the proposed date of cessation of the Trading Permission;
- (b) satisfy ASX that it has taken, or will have taken before the proposed date of cessation, proper steps for the orderly winding down of its activities in respect of the relevant Trading Permission; and
- (c) comply with any reasonable direction of ASX in relation to the orderly winding down of its activities in respect of the relevant Trading Permission.

Introduced 23/07/18

[1601] A notice given by a Market Participant under Rule [1600](a) or [1600A](a) is not effective until the notice is accepted by ASX in writing. ASX may accept a Market Participant's resignation of participation or cessation of a Trading Permission (as appropriate) when the Market Participant has:

- (a) complied with Rule [1600] or [1600A], as applicable; and
- (b) satisfied all its obligations to ASX including, without limitation, paid all outstanding fees owing to ASX by the Market Participant under these Rules.

ASX will not unreasonably refuse to accept a Market Participant's resignation of participation or cessation of a Trading Permission under this Rule [1601].

Amended 23/07/18

[1602] A Market Participant is bound by the Rules until ASX has accepted the Market Participant's resignation under Rule [1601] or until the Market Participant's admission is terminated under these Rules. A Market Participant's obligations under these Rules after resignation continue in accordance with Rules [5500] and [5501].

**End of Section. Next page is no. 201.**