# AQUA Product Admission Checklist(ETF Securities)

## *Instructions: all applicants seeking to have an ETF Security admitted to Trading Status or to the AQUA Quote Display Board must complete each applicable item in Parts A and B of this form. If an item is not applicable, please mark it as “N/A”.*

*If the applicant is seeking admission for more than one type of ETF Security, please name each ETF Security and ensure the supporting documents for each ETF Security are clearly distinguishable.*

## *It should be noted that the entity warrants in its AQUA Product Admission Application and Agreement that the information and documents provided in or with this form are (or will be) true and complete and indemnifies ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from, or connected with, any breach of that warranty.*

## *Any Annexures to this form are considered part of this form and are covered by the warranty referred to above.*

## *ASX may request any additional information or documents it considers necessary for the purposes of assessing the applicant’s application to have an ETF Security admitted to Trading Status or to the AQUA Quote Display Board. Any such information and documents are also covered by the warranty referred to above.*

## *This form and any supporting documents given to ASX become ASX’s property and may be released by ASX to the market.*

## *References to a rule are to the rules in ASX Operating Rule Schedule 10A. References to a procedure are to the procedures under those rules. Capitalised terms in this form have the same meaning as in the rules.*

## Part A – Key information

#### Applicant’s name and contact details

|  |  |  |
| --- | --- | --- |
|  | Applicant’s name: |  |
|  | Applicant’s ABN/ACN/ARBN: |  |
|  | Postal address for investor enquiries: |  |
|  | Telephone number for investor enquiries: |  |
|  | E-mail address for investor enquiries: |  |
|  | URL of the home page on the applicant’s website: |  |
|  | URL of the web page where information about the ETF will appear: |  |

#### Fund details

|  |  |  |
| --- | --- | --- |
|  | Name of ETF: |  |
|  | The ETF’s ARSN: |  |
|  | The ETF’s proposed ASX Code: |  |

#### Person(s) for ASX to contact in connection with this application

|  |  |  |
| --- | --- | --- |
|  | Full name and title: |  |
|  | Business address: |  |
|  | Business phone number: |  |
|  | Mobile phone number: |  |
|  | Email address: |  |

#### Registry details

|  |  |  |
| --- | --- | --- |
|  | Name of registry: |  |
|  | Address of registry: |  |
|  | Phone number of registry: |  |
|  | Email address of registry: |  |
|  | Contact name and details at registry: |  |

#### Licence and registration details

|  |  |  |
| --- | --- | --- |
| 1.
 | The applicant:*Refer rule 10A.2.1(1)* | [ ]  Has an Australian financial services licence (AFSL) authorising it to provide all financial services necessary to carry on its business as an AQUA Product Issuer; or[ ]  Has an exemption granted by ASIC from the requirement to hold an AFSL authorising it to provide each financial service necessary to carry on its business as an AQUA Product Issuer on the basis that it holds an equivalent licence in another jurisdiction; or[ ]  Has an exemption granted by ASIC from the requirement to hold an AFSL authorising it to provide each financial service necessary to carry on its business as an AQUA Product Issuer on some other basis; or[ ]  Does not require an AFSL or other licence to carry on its business as an AQUA Product Issuer |
|  | A copy of the AFSL or exemption referred to in response to question A21 or a legal opinion confirming that the applicant does not require an AFSL or other licence to carry on its business as an AQUA Product Issuer is: | [ ]  Attached as Annexure A1 |
|  | A copy of the ETF’s certificate of registration, certificate of incorporation or other evidence of status, including any change of name, is: | [ ]  Attached as Annexure A2 |
|  | A copy of the ETF’s constitution is: | [ ]  Attached as Annexure A3 |

#### Status as an Approved AQUA Product Issuer

|  |  |  |
| --- | --- | --- |
|  | The applicant is:*Refer rule 10A.3.3(e)* | [ ]  Already approved by ASX as an AQUA Product Issuer under rule 10A.2; or[ ]  Applying to be approved by ASX as an AQUA Product Issuer under Rule 10A.2*Note: if you select the second option above, you will also need to complete the AQUA Product Admission Checklist (Application for Approval as an AQUA Product Issuer).* |

#### Access to ASX Online

|  |  |  |
| --- | --- | --- |
|  | The applicant has or will have access to ASX Online to lodge announcements and other documents on behalf of the ETF via: | [ ]  An executed ASX Online Agreement, which is attached as Annexure A4; or[ ]  An ASX Online Agreement previously entered into by the applicant in relation to other AQUA Products |

#### Investment manager details (if applicable)

|  |  |  |
| --- | --- | --- |
|  | Investment manager’s name: |  |
|  | Investment manager’s ABN/ACN/ARBN: |  |
|  | Investment manager’s address for investor enquiries: |  |
|  | Investment manager’s telephone number for investor enquiries: |  |
|  | Investment manager’s e-mail address for investor enquiries: |  |
|  | URL of investment manager’s website: |  |
|  | A copy of the ETF’s agreement with the investment manager is: | [ ]  Attached as Annexure A5; or[ ]  N/A (the ETF does not have an investment manager) |
|  | A statement of the investment manager’s principal business, the countries in which it operates, the number of employees it has, the types of managed funds it manages, the skills and experience of the relevant portfolio manager(s) and, if it is a subsidiary, details of its holding company is: | [ ]  Attached as Annexure A6; or[ ]  N/A (the ETF does not have an investment manager) |

## Part B – Admission application checklist

#### Disclosure document

|  |  |  |
| --- | --- | --- |
|  | A disclosure document that complies with the Corporations Act or, in the case of an ETF Security being admitted to the AQUA Quote display Board, evidence of an exemption[[1]](#footnote-2) from the disclosure requirements under the Corporations Act is:*Refer rule 10A.3.3(f)(i) and (ii)**Note: if the disclosure document is a draft, the final version of that document will need to be lodged with ASX before the ETF Security is admitted to Trading Status.* | [ ]  Attached as Annexure B1 |
|  | The required disclosure about the regulatory differences between Financial Products that are quoted under the Listing Rules and AQUA Products that are quoted under the ASX Operating Rules is set out on:*Refer rule 10A.4.4(bb)* | The following page(s) of the disclosure document attached as Annexure B1:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert page number(s)* |

#### Investment mandate

|  |  |  |
| --- | --- | --- |
|  | The ETF’s investment objective[[2]](#footnote-3) is summarised in the box to the right: |  |
|  | The ETF’s investment strategy[[3]](#footnote-4) is summarised in the box to the right: |  |
|  | The ETF’s investment mandate[[4]](#footnote-5) is set out on:*Refer rule 10A.4.1* | The following page(s) of the disclosure document attached as Annexure B1:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert page number(s)* |

#### Qualification of product to be admitted as an AQUA Product

|  |  |  |
| --- | --- | --- |
| 1.
 | Please check this box to confirm that the product for which admission is sought is both a “Financial Product” and an “ETF Security”, as defined in the ASX Operating Rules:[[5]](#footnote-6) | [ ]  Confirmed |
| 1.
 | Please check this box to confirm that the ETF Security qualifies for admission because its capital value or distributions are linked to Underlying Instruments which meet the requirements of rules 10A.3.3(c):[[6]](#footnote-7) | [ ]  Confirmed |
| 1.
 | Please check this box to confirm that the ETF Security is not any of the Financial Products listed in rule 10A.3.3(d)(i) – (x)) that are disqualified from admission as an AQUA Product:[[7]](#footnote-8) | [ ]  Confirmed |
|  | A legal opinion confirming the response to questions B6, B7, B8, B20, B52 and B63 is: | [ ]  Attached as Annexure B2 |
|  | Please check this box to confirm that the price of the Underlying Instrument of the ETF is continuously disclosed or can be immediately ascertained: | [ ]  Confirmed |

#### Products linked to an index

|  |  |  |
| --- | --- | --- |
|  | Is the capital value, or are distributions, of the ETF Security linked to an index? | [ ]  Yes (complete questions B12 – B15 below); or[ ]  No (go to question B16) |
| 1.
 | The full name of the index provider is: |  |
|  | A statement from the applicant explaining how the index complies with the principles set out in the IOSCO Principles for Financial Benchmarks, Regulation 2016/1011 of the European Parliament and the Council for the European Union (commonly known as the EU Benchmarks Regulation) or other internationally recognised index selection principles acceptable to ASX is:*Refer rule 10A.4A.2 and the related procedure* | [ ]  Attached as Annexure B3; or[ ]  Set out on the following page(s) of the disclosure document attached as Annexure B1:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert page number(s)* |
|  | Where the index is created or managed by a related body corporate of the applicant, a statement confirming this and a description of:(a) the criteria for eligibility to become a constituent of the index;(b) the methodology used to construct the index;(c) the methodology used to maintain the index, including timing of calculations; and(d) the governance arrangements of the index,will be disclosed to prospective investors on:*Refer rule 10A.4.4(ba)) and the related procedure* | [ ]  The ASX Market Announcements Platform; or[ ]  The applicant’s website; or[ ]  N/A (the index is not created or managed by a related body corporate of the applicant) |
| 1.
 | If the index is owned by a party other than the applicant, a written authorisation from the owner to use that index in relation to the ETF Securities is:*Refer rule 10A.3.5* | [ ]  Attached as Annexure B4; or[ ]  N/A (the index is owned by the applicant) |

#### Products with fixed income instruments as the Underlying Instrument

|  |  |  |
| --- | --- | --- |
| 1.
 | Does the ETF Security have fixed income instruments as its Underlying Instrument? | [ ]  Yes (complete question B17 below); or[ ]  No (go to question B18) |
| 1.
 | Where an ETF Security has fixed income instruments as the Underlying Instrument, please check this box to confirm that market makers have access to sufficient information to reliably determine the price at which the relevant fixed income instruments can be bought or sold in a timely manner: | [ ]  Confirmed |

#### Products which use derivatives

|  |  |  |
| --- | --- | --- |
| 1.
 | Will the ETF’s underlying instrument include derivatives? | [ ]  Yes (complete questions B19, B20 and, if applicable, questions B21 – B25 below); or[ ]  No (go to question B26) |
| 1.
 | Please check this box to confirm that the applicant is able to reliably measure the value of derivative positions daily on a mark-to-market basis: | [ ]  Confirmed |
| 1.
 | Will the ETF be an OTC Derivatives Based ETF?[[8]](#footnote-9)*Refer rule 10A.4.6**Note: the legal opinion attached as Annexure B2 should also address this issue.* | [ ]  Yes (complete questions B21 –B25 below); or[ ]  No (go to question B26) |
| 1.
 | Please check this box to confirm that the aggregate exposure[[9]](#footnote-10) of the ETF to all OTC Derivative Counterparties is managed so that it does not exceed a maximum of 10% of the NAV of the ETF:*Refer rule 10A.4.6(a) and the related procedure* | [ ]  Confirmed |
|  | Please check this box to confirm that each OTC Derivative Counterparty is acceptable for the purposes of rule 10A.4.6(b):[[10]](#footnote-11) | [ ]  Confirmed |
|  | Please check this box to confirm that the OTC Derivative Collateral to be held by the ETF will be acceptable under rules 10A.4.6(c) and (e):[[11]](#footnote-12) | [ ]  Confirmed |
|  | The aggregate exposure of the ETF to all OTC Derivative Counterparties, or the value of assets held by the ETF (excluding the value of the OTC Derivative but including any OTC Derivative Collateral), as a percentage of the NAV of the ETF will be disclosed on a monthly basis on:*Refer rule 10A.4.6(d) and the related procedure* | [ ]  The ASX Market Announcements Platform; or[ ]  The applicant’s website |
| 1.
 | Please check this box to confirm that the constituent documents of the ETF do not permit the issuer of the ETF Securities to have recourse to holders of the ETF Securities:*Refer rule 10A.4.6 concluding paragraph* | [ ]  Confirmed |

#### Securities lending activities

|  |  |  |
| --- | --- | --- |
| 1.
 | Will the ETF be engaging in securities lending activities? | [ ]  Yes (complete question B27 below); or[ ]  No (go to question B28) |
| 1.
 | If the applicant answered “Yes” to question B26, identify where in its disclosure document it makes the disclosures required about securities lending under ASIC Information Sheet 230:[[12]](#footnote-13) | [ ]  These disclosures are set out on the following page(s) of the disclosure document attached as Annexure B1:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert page number(s)* |

#### Liquidity arrangements

|  |  |  |
| --- | --- | --- |
| 1.
 | The applicant intends to provide liquidity in the ETF Securities by:*Refer rule 10A.3.6* | [ ]  On an ongoing basis ensuring a reasonable Bid and volume is maintained in the market for each AQUA Product Series for the period set out in the procedures except in Permitted Circumstances (please answer questions B29, B30, B31 –B33); or[ ]  Having in place external market making arrangements which meet the requirements set out in the procedures and provide a mechanism for sufficient liquidity in the AQUA Product Series (please answer questions B29, B30 and B34 – B38); or[ ]  Having in place internal market making arrangements which meet the requirements set out in the procedures and provide a mechanism for sufficient liquidity in the AQUA Product Series (please answer questions B29, B30 and B39 – B43) |
| 1.
 | A description of the applicant’s liquidity arrangements is:  | [ ]  Set out on the following page(s) of the disclosure document attached as Annexure B1:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert page number(s)* |
| 1.
 | Please check this box to confirm that all of the Financial Products that comprise the Underlying Instruments of the ETF Securities have sufficient[[13]](#footnote-14) information available to the market on an ongoing basis to accurately price or value the ETF Securities: | [ ]  Confirmed |

#### (a) Liquidity provided by maintaining a reasonable Bid and volume

|  |  |  |
| --- | --- | --- |
| 1.
 | The applicant:*Refer rule 10A.10.8* | [ ]  Has appointed the following Trading Participant(s) to enter reasonable Bids and volumes on its behalf:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert name(s) of Trading Participant(s)*; or[ ]  Has in place arrangements with the following Trading Participant(s) allowing it to directly enter reasonable Bids and volumes on its own account:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert name(s) of Trading Participant(s)*; or[ ]  Is a Trading Participant who will be maintaining reasonable Bids and volumes on its own account |
| 1.
 | If in its response to question B31, the applicant checked the first option indicating that it has appointed Trading Participant(s) to enter reasonable Bids and volumes on its behalf, copies of the agreement(s) with those Trading Participants(s) are: | [ ]  Attached as Annexure B5; or[ ]  N/A (the applicant checked the second or third option in its response to question B31) |
| 1.
 | If in its response to question B31, the applicant checked the second option indicating that it has in place arrangements with Trading Participant(s) allowing it to directly enter reasonable Bids and volumes on its own account, a statement describing those arrangements and the skills, systems, processes and resources the applicant has in place to ensure that it maintains reasonable Bids and volumes is: | [ ]  Attached as Annexure B5; or[ ]  N/A (the applicant checked the first or third option in its response to question B31) |

#### (b) Liquidity provided by external market maker(s)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 1.
 | The applicant has entered into arrangements with professional third party market makers to provide liquidity in accordance with the minimum market making specifications summarised here:*Please refer to the ETP Market Making pages on the ASX website for a guide as to the acceptable Quoting Schedules* | Maximum Bid/Ask spread | Minimum quantity on either side | Minimum percentage of each Trading Day |
|  |  |  |
| 1.
 | The name of the lead market maker the applicant has appointed to maintain the minimum market making specifications outlined above is: |  |
|  | A copy of the agreement with the lead market maker referred to in the applicant’s response to question B35 is: | [ ]  Attached as Annexure B5 |
| 1.
 | In terms of who can create or redeem units in the ETF: | [ ]  The applicant has appointed the following authorised participant(s) to create or redeem units:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert name(s) of authorised participant(s)*; or[ ]  Any Trading Participant can create or redeem units |
| 1.
 | If in its response to question B37 the applicant checked the first option indicating that it has appointed authorised participant(s) to create or redeem units in the ETF, copies of the agreement(s) with the authorised participant(s) are: | [ ]  Attached as Annexure B6; or[ ]  N/A (the applicant checked the second option in its response to question B37) |

#### (c) Liquidity provided by internal market making arrangement

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 1.
 | The applicant will maintain liquidity in accordance with the minimum market making specifications summarised here: | Maximum Bid/Ask spread | Minimum quantity on either side | Minimum percentage of each Trading Day |
|  |  |  |
|  | The applicant’s internal market making procedures are:*Refer section 5 of ASX Operating Rules Guidance Note 12 Warrant and AQUA Product Liquidity Requirements.* | [ ]  Attached as Annexure B5 |
| 1.
 | The applicant: | [ ]  Has appointed the following Trading Participant(s) to act as its market making agent(s) to assist it in maintaining liquidity in accordance with the minimum market making specifications set out above:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert name of Trading Participant(s)*; or[ ]  Will itself be maintaining liquidity in accordance with the minimum market making specifications set out above without appointing any Trading Participant to act as its market making agent |
|  | If in its response to question B41, the applicant checked the first option indicating that it has appointed Trading Participant(s) to act as its market making agent(s) to assist it in maintaining liquidity in accordance with the minimum market making specifications, copies of the market making agency agreement(s) are: | [ ]  Attached as Annexure B6; or[ ]  N/A (the applicant checked the second option in its response to question B41)*Note: if an appointed Trading Participant is not an established provider of market making agency services, ASX may require information about its credentials to provide these services.* |
| 1.
 | If in its response to question B41, the applicant checked the second option indicating that it will itself be maintaining liquidity in accordance with the minimum market making specifications without appointing any Trading Participant to act as its market making agent, a statement describing the skills, systems, processes and resources the applicant has in place to do this is: | [ ]  Attached as Annexure B6; or[ ]  N/A (the applicant checked the first option in its response to question B41) |

#### Portfolio holdings disclosure

|  |  |  |
| --- | --- | --- |
| 1.
 | The applicant will be publishing the portfolio holdings of the ETF: | [ ]  At least daily (go to question B49 below); or[ ]  At the following intervals:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert details**Note: if you have selected the second option above complete questions  B45- B48 below* |
| 1.
 | Please provide detailed reasons why the applicant is not proposing to publish portfolio holdings on a daily basis: |  |
| 1.
 | Please check this box to confirm that the applicant will be publishing an iNAV for the ETF at least every 15 minutes during each trading day: | [ ]  Confirmed |
| 1.
 | Where the iNAV will be published and what will be its ticker code (eg IRESS, Bloomberg, Reuters): |  |
| 1.
 | If the ETF’s iNAV will calculated by an independent iNAV calculation agent, a copy of the agreement with that agent is:*Note: ETFs with internal market making arrangements are expected to publish an indicative net asset value of the ETF at least every15 minutes of each trading day* | [ ]  Attached as Annexure B7; or[ ]  N/A (there is no independent iNAV calculation agent)*Note: if the iNAV calculation agent is not an established provider of these services, ASX may require information about its credentials to provide these services.* |

#### Naming requirements

|  |  |  |
| --- | --- | --- |
| 1.
 | Please check this box to confirm that the ETF Security complies with the naming requirements in rule 10A.4A.1: | [ ]  Confirmed |
| 1.
 | Will the ETF Security be labelled “Active ETF”? | [ ]  Yes; or[ ]  No |
|  | If the applicant answered “Yes” to question B50, confirm that the ETF will include “(Managed Fund)” as part of its name: | [ ]  Confirmed; or[ ]  N/A |
| 1.
 | Will the ETF be classified as a "hedge fund" under ASIC Regulatory Guide 240?*Note: the legal opinion attached as Annexure B2 should also address this issue.* | [ ]  Yes; or[ ]  No |
|  | If the applicant answered “Yes” to question B52, identify where in its disclosure document it makes the disclosures required by hedge funds under ASIC Regulatory Guide 240: | [ ]  These disclosures are set out on the following page(s) of the disclosure document attached as Annexure B1:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert page number(s)*; or[ ]  N/A |
| 1.
 | Will the ETF Security be classified as “synthetic” under ASIC Information Sheet 230? [[14]](#footnote-15) | [ ]  Yes; or[ ]  No |
|  | If the applicant answered “Yes” to question B54, confirm that the ETF has the word “synthetic” as part of its name: | [ ]  Confirmed; or[ ]  N/A |

#### Skills, systems, processes and resources

|  |  |  |
| --- | --- | --- |
|  | A statement of the applicant’s principal business, the countries in which it operates, the number of employees it has, the skills and experience of its key personnel,[[15]](#footnote-16) its funds under management, the types of managed fund products it offers and the number of investors in those products and, if it is a subsidiary, details of its holding company is:*Refer rule 10A.2.1* | [ ]  Attached as Annexure B8 |
| 1.
 | Tick the boxes to the right to indicate that the applicant is appointing a third party to undertake any of the functions listed in relation to the ETF Securities: | Third party service providers:[ ]  Fund administrator[ ]  Custodian[ ]  Portfolio calculation agent[ ]  Unit pricing[ ]  Registry services[ ]  Index services[ ]  Any services requiring a nominee deed poll |
|  | For any role that was ticked in the applicant’s response to question B57, a copy of the agreement with the third party service provider is: | [ ]  Attached as Annexure B9 |
|  | For any role that was not ticked in the applicant’s response to question B57, a statement setting out the skills, systems, processes and resources the applicant has in place to perform that role in relation to the ETF Securities is: | [ ]  Attached as Annexure B10 |
|  | A statement of how the applicant will comply with each of its disclosure obligations under rule 10A.4.4 is: | [ ]  Attached as Annexure B11; or[ ]  Set out on the following page(s) of the disclosure document attached as Annexure B1:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert page number(s)* |
|  | Please check this box to confirm that the applicant is aware of its disclosure obligations under rule 10A.2.4 and has put in place procedures to comply with those obligations:[[16]](#footnote-17) | [ ]  Confirmed |
|  | A copy of the ETF’s unit pricing policy is: | [ ]  Attached as Annexure B12; or[ ]  Set out on the following page(s) of the disclosure document attached as Annexure B1:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*Insert page number(s)* |

#### ASIC relief

|  |  |  |
| --- | --- | --- |
| 1.
 | Will the applicant be relying on equal treatment relief under ASIC Class Order 13/721 for the ETF Security?*Note: the legal opinion attached as Annexure B2 should also address this issue.* | [ ]  Yes; or[ ]  No |

#### Waivers

|  |  |  |
| --- | --- | --- |
|  | The applicant wishes to apply for the rule waivers set out in: | [ ]  The submission attached as Annexure B13; or[ ]  N/A |

#### Listed entities seeking to convert quoted securities to AQUA Products

|  |  |  |
| --- | --- | --- |
|  | Where an AQUA Product Issuer is seeking to convert the quotation on ASX under the Listing Rules of a class of securities issued by the AQUA Product Issuer to admission to Trading Status as an AQUA Product, evidence that the AQUA Product Issuer has obtained the approval of holders of those securities for such conversion in the manner specified in the procedures is:*Refer rule 10A.3.1(ca)* | [ ]  Attached as Annexure B14; or[ ]  N/A |

#### List of annexures

The following annexures may be required to be lodged with this checklist

A1: Licence, exemption or legal opinion that licence not necessary (all applicants)

A2: Certificate of registration, certificate of incorporation or other evidence of status, including any change of name (all applicants)

A3: ETF’s constitution (all applicants)

A4: Executed ASX Online Agreement (applicants not covered by an existing ASX Online Agreement)

A5: Agreement with investment manager (all applicants with an investment manager)

A6: Statement of the investment manager’s principal business, the countries in which it operates, the number of employees it has, the types of managed funds it manages, the skills and experience of the relevant portfolio manager(s) and, if it is a subsidiary, details of its holding company (all applicants with an investment manager)

B1: Disclosure document or evidence of an exemption from the disclosure requirements under the Corporations Act (all applicants)

B2: Legal opinion that product qualifies to be admitted as an AQUA Product (all applicants)

B3: Statement confirming that index complies with rule 10A.4A.2 (index products only)

B4: Written authorisation to use index (index products only)

B5: As applicable: (a) copies of the applicant’s agreement(s) with Trading Participant(s) to enter reasonable Bids and volumes on the applicant’s behalf; (b) a statement describing the skills, systems, processes and resources the applicant has in place to ensure that it maintains reasonable Bids and volumes; (c) a copy of the applicant’s agreement with its lead external market maker; or (d) the applicant’s internal market making procedures (all applicants)

B6: As applicable: (a) copies of the applicant’s agreement(s) with authorised participants for the creation and redemption of units; (b) copies of the applicant’s market making agency agreement(s) with Trading Participant(s) to act as the applicant’s market making agent(s) for internal market making arrangements; or (c) a statement describing the skills, systems, processes and resources the applicant has in place to operate internal market making arrangements itself (applicants opting to comply with rule 10A.3.6(b)).

B7: Agreement with independent iNAV calculation agent (if applicable)

B8: A statement of the applicant’s principal business, the countries in which it operates, the number of employees it has, the skills and experience of its key personnel, its funds under management, the types of managed fund products it offers and the number of investors in those products and, if it is a subsidiary, details of its holding company (all applicants)

B9: Service agreements with third parties providing fund administrator, custodian, portfolio calculation agent, unit pricing, registry services; index services, and any services requiring a nominee deed poll (all applicants)

B10: Statement describing skills, systems, processes and resources where fund administrator, custodian, portfolio calculation agent, unit pricing, registry services or index services are performed internally (all applicants)

B11: Statement confirming compliance with disclosure obligations under rule 10A.4.4 (all applicants)

B12: A copy of the ETF’s unit pricing policy (all applicants)

B13: Submissions on any rule waivers being sought by the applicant (if applicable)

B14: Statement confirming compliance with rule 10A.3.1(ca) (listed entities seeking to convert quoted securities to ETF Securities only)

1. Where under the terms of an exemption from the Corporations Act requirements provided under an ASIC exemption or Chapter 8 of the Corporations Act, an AQUA Product Issuer is not subject to disclosure requirements under Chapter 6D or Part 7.9 of the Corporations Act but is required under the terms of that exemption to lodge with ASIC (or an overseas regulatory authority) a disclosure document in the form required under Chapter 6D or Part 7.9 of the Corporations Act (or similar product disclosure information) that is made publicly available by ASIC or the overseas authority, such disclosure document must be provided to ASX for the purposes of rule10A.3.3(f). [↑](#footnote-ref-2)
2. An ETF’s investment objective describes in plain English what the ETF seeks to achieve. It will generally include the benchmark the ETF seeks to track or out-perform and provide an investment time horizon. [↑](#footnote-ref-3)
3. An ETF’s investment strategy outlines how the ETF will achieve its investment objective. [↑](#footnote-ref-4)
4. An ETF’s investment mandate should reference both its investment objective and its investment strategy. [↑](#footnote-ref-5)
5. “Financial Product" is defined in the ASX Operating Rules to have the same meaning as in Division 3 of Part 7.1 of the Corporations Act. “ETF Security” is defined in the ASX Operating Rules to mean a Financial Product issued by or provided pursuant to an ETF. “ETF” is defined in the ASX Operating Rules as a collective investment:

(a) that is:

(i) a registered managed investment scheme;

(ii) a scheme which ASIC has exempted from the registration requirements; or

(iii) a foreign company which:

(A) has the economic features of a managed investment scheme, namely:

a. investors contribute money or money’s worth to acquire rights to benefits produced by the collective investment;

b. contributions of investors are to be pooled, or used in a common enterprise, to produce financial benefits, or benefits consisting of rights or interests in property, for investors holding Financial Products in the collective investment; and

c. investors holding Financial Products issued in the collective investment do not have day to day control over the operation of the collective investment; and

(B) is a type of body specified in the procedures;

(b) listed on ASX or admitted under ASX Operating Rule [2121];

(c) with power and approval to continuously issue and have quoted on ASX ETF Securities;

(d) which allows applications for and redemptions of ETF Securities in the primary market, in-specie or in cash (or a combination of both); and

(e) for which the price of the Underlying Instrument is continuously disclosed or can be immediately ascertained. [↑](#footnote-ref-6)
6. Rule 10A.3.3(c) requires the capital value or distributions of an ETF Security to be linked to Underlying Instruments which are:

(i) securities, derivatives, debentures, bonds or other financial products:

(A) admitted to trading on the Market;

(B) traded on a Non-ASX Market that is a member of the World Federation of Exchanges or Federation of European Securities Exchanges; or

(C) traded on any other Non-ASX Market where: (i) that Non-ASX Market is subject to regulation that is at least equivalent to the regulation of a market operator licenced under section 795B(1) of the Corporations Act; and (ii) that Underlying Instrument is subject to substantially equivalent disclosure requirements to those which would apply if the Underlying Instrument were admitted to trading on the Market and which are acceptable to ASX;

(ii) debentures or bonds which are included in an index specified in the procedures;

(iii) debentures or bonds which are issued by a government or by an entity of a type specified in the procedures and in respect of which ASX is satisfied that Relevant Authorised Participants and AQUA Market Makers have sufficient information available in a timely manner to enable them to reliably determine prices at which the debentures or bonds are bought or sold;

(iv) commodities or currencies in respect of which ASX is satisfied that prices at which such commodities or currencies are bought or sold are available to market users in a timely manner or for which there is a regulated derivatives market which controls price discovery; or

(v) indices over any of the Underlying Instruments listed in paragraphs (i) to (iv) above. [↑](#footnote-ref-7)
7. The Financial Products listed in rule 10A.3.3(d) are:

(i) a security in a listed investment company;

(ii) a unit in a real estate investment trust (REIT) or similar fund;

(iii) a unit in an infrastructure trust or fund;

(iv) a unit in a non-portfolio strategic investment vehicle (such as a private equity fund);

(v) a Financial Product where the issuer has a significant influence over the price or value of the Underlying Instrument(s);

(vi) a Financial Product for which, in ASX’s opinion, there is insufficient information available to the market on an ongoing basis regarding the price or value of the Underlying Instrument(s);

(vii) a Financial Product where the Underlying Instruments are shares in an unlisted company, artworks or other collectibles, wine or other assets where the price or value of the Underlying Instruments is not set by a transparent mechanism;

(viii) units or shares in a Managed Fund Product for which the net asset value are not disclosed daily (in the case of admission Trading Status) or at least quarterly (in the case of admission to the AQUA Quote Display Board);

(ix) a Financial Product priced by reference to an index where the level of that index is not publicly available or reported on a regular basis; and

(x) any other Financial Product to which ASX considers the listing mechanism and continuous disclosure regime in the Listing Rules should apply. [↑](#footnote-ref-8)
8. "OTC Derivatives Based ETF" means an ETF which aims to replicate the performance of the Underlying Instrument through the use of one or more OTC Derivatives (except to an immaterial extent).

For the purposes of this definition, any fees and taxes associated with the OTC Derivative are to be disregarded.

For the purposes of determining whether OTC Derivatives are used by an ETF to a material or immaterial extent to replicate the performance of the Underlying Instrument:

• where the ETF relies on OTC Derivatives (disregarding any OTC Derivative Collateral held) to account (in aggregate) for more than 5% of the net asset value of the ETF, the OTC Derivatives will generally be considered to be used by the ETF to a material extent;

• where an OTC Derivative Counterparty has the ability to exercise a substantial degree of control in regards to the assets that may be held by the ETF the OTC Derivatives will be generally considered to be used by the ETF to a material extent; and

• derivatives which are designed solely to hedge currency risk on assets held by the ETF which constitute the Underlying Instrument will generally be disregarded in determining materiality of OTC Derivatives used by the ETF. [↑](#footnote-ref-9)
9. Aggregate exposure is the total notional value of the ETF’s OTC Derivatives positions calculated on a marked-to-market basis. [↑](#footnote-ref-10)
10. An acceptable OTC Derivative Counterparty is one of the following:

(i) an Authorised Deposit-Taking Institution;

(ii) a Foreign ADI;

(iii) a foreign entity subject to an equivalent form of prudential regulation to the Banking Act 1959 in a jurisdiction specified in the procedures; or

(iv) an entity for which an unconditional guarantee has been provided by an entity set out in (i)-(iii) above in favour of the OTC Derivatives Based ETF in the event of the failure of the entity to fulfil its obligations under the OTC Derivative. [↑](#footnote-ref-11)
11. Acceptable OTC Derivative Collateral must be:

specified in the disclosure document for the OTC Derivatives Based ETF and be: (A) Securities which are constituents of the S&P/ASX 200 index; (B) cash; (C) Australian government debentures or bonds; or (D) assets set out in rule 10A.3.3(c)(i) to (v) which are consistent with the investment objective for the ETF and meet the requirements specified in the procedures (rule 10A.4.6(c)), and

held beneficially by the ETF and legal title in those assets is held by the ETF or otherwise on its behalf pursuant to arrangements which entitle the ETF to call for immediate delivery of those assets or sale of those assets and delivery of the proceeds of sale (rule 10A.4.6(e)). [↑](#footnote-ref-12)
12. If the AQUA Product Issuer can engage in securities lending, ASIC Information Sheet 230 requires the AQUA Product Issuer to make disclosures about:

the reasons for the AQUA Product Issuer engaging in securities lending;

the percentage of the AQUA Product’s assets that may be lent to third parties;

the potential risks to investors as a result of securities lending, including the potential impact on returns due to short selling by the borrower of those securities;

any fees that may be earned by the AQUA Product Issuer (or a related company of the AQUA Product Issuer ) from the securities lending arrangements;

relevant disclosures of any conflict of interest - in particular, how the revenues are shared between the AQUA Product Issuer (acting as agent) and the investors in the AQUA Product;

the types of collateral the AQUA Product Issuer will accept when undertaking securities lending; and

the risk that collateralisation may not always prevent investors from losses. [↑](#footnote-ref-13)
13. ASX will generally consider there to be sufficient information available to the market to price or value the Financial Product where professional, third party market makers agree to maintain two-way markets in the AQUA Product equivalent to the minimum market making specifications as other comparable AQUA Products. [↑](#footnote-ref-14)
14. ASIC Information Sheet 230 provides that an exchange traded product admitted to trading status is to be considered ‘synthetic’ where it is intended to use derivatives to achieve a material exposure to the underlying instruments described in its investment strategy. [↑](#footnote-ref-15)
15. ‘Key personnel’ includes persons such as the Chief Executive Officer, Chief Financial Officer, Chief Information Officer, Chief Compliance Officer and Portfolio Manager (or equivalent). [↑](#footnote-ref-16)
16. Rule 10A.2.4 and the related procedure requires an AQUA Product Issuer to notify ASX of a change of name, loss of or change to its licence, regulatory action, a change of auditor, an adverse report by the auditor of its compliance plan, a material change in business, certain system malfunctions and a material breach of the rules. [↑](#footnote-ref-17)