



ASX 24 OPERATING RULES

SECTION 4 EXECUTION, QUOTE DISPLAY AND REPORTING SERVICES

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SECTION 4 EXECUTION, QUOTE DISPLAY AND REPORTING SERVICES

GENERAL RULES RELATING TO THE TRADING PLATFORM

[4000] The Trading Platform is operated by the Exchange and consists of Execution Services and Reporting Services including the Central Order Book (Execution Service).

Session States

[4010] The Exchange may place a Trading Platform into a Session State with respect to trading in one or more Products. Without limiting the generality of this provision, the Exchange may place an Execution Service or Quote Display Service into different Session States with respect to trading in different Products at the same time.

[4011] The Exchange will use reasonable endeavours to notify Trading Participants (by message or code displayed in the relevant Trading Platform or in such other reasonable manner as the Exchange considers appropriate) which Session State is in force in respect of trading in a particular Product at all times during which a Trading Platform is operating in respect of such Product.

[4012] Trading Participants acknowledge that entry and maintenance of Trading Messages and dealing in a Trading Platform will occur subject to the parameters in respect of the Session State in force in respect of the relevant Product from time to time.

[4013] The parameters applicable during particular Session States are set out in the Procedures. Unless the Exchange notifies Trading Participants otherwise (by message or code displayed in the relevant Trading Platform or such other means as the Exchange considers appropriate), Session States shall apply in respect to Trading in a Trading Platform in Products at the times set out in the Procedures.

Order Entry and Expressions of Interest

[4020] Bids and Offers may only be entered in a Trading Platform in multiples of the Price Steps.

[4021] A Trading Participant must, when entering a Bid or Offer or Expression of Interest in a Trading Platform in respect of a Derivatives Market Contract, specify the quantity of the Derivative Market Contracts the subject of that Bid or Offer, and such other information specified in the Procedures.

[4025] A Trading Participant must not:

- (a) enter a number of Orders into a Trading Platform; or
- (b) issue a number of Quote Requests,

which is determined by the Exchange to be excessive as set out in the Procedures.

Priority of Orders

[4030] Bids and Offers entered into a Trading Platform are ranked In Price/Time Priority, subject to the exceptions set out in the Procedures.

[4032] Subject to the exceptions specified in the Procedures, if a Trading Participant:

- (a) reduces the quantity of a Bid or Offer in an Execution Service, the amendment does not affect the priority ranking of the Bid or Offer;
- (b) withdraws a Bid or Offer from an Order Book, the Bid or Offer loses its priority ranking. If the Bid or Offer is re-entered, it will be treated as a new Bid or Offer;
- (c) effects any other amendments to a Bid or Offer, the Bid or Offer loses its priority ranking and will, upon amendment, be treated as a new Bid or Offer.

Terms of Contract

[4040] Subject to Rule [4041], upon matching in a Trading Platform of Trading Messages in accordance with these Rules, a contract is formed between the Trading Participants whose Trading Messages are matched on the terms of the relevant Contract Series at the price and volume matched and subject to these Rules.

[4041] Each Trading Participant that is party to a Market Transaction acknowledges that the Clearing Obligations owing to it or by it in respect of that Market Transaction will be performed as principal obligations of the Relevant Clearing Participant in respect of those Clearing Obligations (which may be the counterparty Trading Participant or a Clearing Participant with whom such Trading Participant has a Clearing Agreement).

Removal or Retention of Orders at End of Day

[4070] At the end of each Trading Day unmatched Orders in a Trading Platform will be dealt with as specified in the Procedures.

CENTRAL ORDER BOOK

[4400] The Central Order Book is a facility for trading Derivatives Market Contracts prescribed by the Exchange.

Pre-Negotiated Orders

[4401] Pre-negotiated orders may only be effected in the manner set out in the Procedures.

Strategy Orders

[4402] Strategy orders may only be effected in the manner set out in the Procedures.

Custom Market Orders

[4403] Custom Market orders may only be effected in the manner set out in the Procedures.

REPORTING FACILITIES

Exchange for Physical Transactions

[4800] An Exchange for Physical (EFP) consists of two separate but related transactions, being:

- (a) a Futures Market Transaction; and
- (b) a transaction in a physical commodity or instrument.

An EFP may only be effected in accordance with these Rules and the relevant Procedures.

[4801] An EFP may only be entered into where:

- (a) a genuine transaction in a physical commodity or instrument, as specified in the Procedures, is executed whereby actual physical delivery or cash settlement occurs either at the time the transaction is effected or at a later time as agreed between both parties;
- (b) at or about the same time as the transaction referred to in paragraph (a) is agreed a Trading Participant or Trading Participants enter into a Futures Market Transaction opposite in effect to the transaction referred to in paragraph (a);
- (c) the buyer of the Futures Market Transaction in paragraph (b) is the seller of the transaction in paragraph (a) and the seller of the Futures Market Transaction in paragraph (b) is the buyer of the transaction in paragraph (a); and
- (d) the transaction referred to in paragraph (a) is for the same or substantially similar value or amount of the commodity or instrument, (or a substantially similar commodity or instrument), as the subject of the Futures Market Transaction referred to in paragraph (b) as determined by reference to the Procedures.

[4802] EFPs must be reported to the Exchange in accordance with this Rule and Rule [3500]. The Futures Market Transaction component of an EFP reported to the Exchange is only effective once the Exchange confirms the Futures Market Transaction in accordance with the Procedures and is otherwise satisfied with the EFP. Futures Market Transactions confirmed by the Exchange will be registered in accordance with this Rule.

[4803] For the purposes of Rule [4801] an EFP cannot be effected where a Trading Participant acts for a person or party that is transacting as the buyer of both components of the EFP referred to in Rule [4801](a) and (b), or the seller of both components of the EFP referred to in Rule [4801](a) and (b).

[4804] Trading Participants must retain appropriate evidence of transactions entered into under an EFP referred to in Rule [4801].

Block Trade Orders

[4820] Block Trade orders may only be effected in the manner set out in the Procedures.

[4821] A Market Transaction is entered into when a Block Trade is effected under this Rule.

End of Section. Next page is no. 501.