

# PUREMATCH – PROPOSED AMENDMENTS TO ASX OPERATING RULE PROCEDURES

## SECTION 4 TRADING RULES

### GENERAL RULES RELATING TO THE TRADING PLATFORM

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#### Crossings

##### Procedure 4060

#### PART A. CROSSINGS IN CASH MARKET PRODUCTS AND CASH ONLY COMBINATIONS

Crossings in Cash Market Products and Cash Only Combinations may be effected in accordance with Part A of this Procedure as follows.

##### 1. Crossings during Open Session State

Crossings during Open Session State may be effected as follows. The Crossings referred to in (a) and (b) are permitted in TradeMatch and PureMatch and the Crossings referred to in (c) to (e) are permitted in TradeMatch only.

##### (a) Crossings using Automated Order Processing

A Crossing can be effected by matching in a Trading Platform a Bid or Offer entered or amended using Automated Order Processing with a pre-existing or simultaneously entered or amended Bid or Offer of the Trading Participant, if:

- (i) the Trading Participant has made the disclosure required under ASIC Market Integrity Rule 5.1.8;
- (ii) the Trading Participant has not pre-arranged the entry of the Bids or Offers; and
- (iii) the same Authorised Person does not enter both sides of the Crossing.

##### (b) Crossings using pre-existing Bid or Offer ~~in TradeMatch~~

A Crossing can be effected by matching in a Trading Platform a Bid or Offer with a pre-existing Bid or Offer of the Trading Participant if the Trading Participant has not pre-arranged the entry of the Bids or Offers.

For Centre Point Orders, the Crossing is then executed in time priority. For all other Orders, the Crossing is then executed In Price/Time Priority.

##### (c) Priority Crossings

A "Priority Crossing" can be effected in respect of Cash Market Products or Cash Only Combination in a Trading Platform at the Crossing price, if:

- (i) the Trading Participant has an Order in the Trading Platform at the price at which the Trading Participant wants to Cross (i.e. the Trading Participant appears in the market); and
- (ii) there is a Crossing Market, or the Trading Participant creates a Crossing Market.

##### (d) Execution of Priority Crossings by the Trading Platform

The Trading Participant executes a Priority Crossing in a Cash Market Product or a Cash Only Combination as follows:

- (i) before the Priority Crossing Order can be executed at the Crossing price, all Bids and Offers in the Trading Platform at better prices are satisfied, as far as possible. The Trading Participant does not satisfy Bids and Offers at the same price, even if they would otherwise have time priority under these Rules;
- (ii) in the case of a Crossing of a Cash Only Combination, the net price at which the crossing sought to be transacted must be at or within the best current Bid and Offer for the Combination and at or within the market for the Combination, calculated by reference to the best current Bid and Offer (if any) for the component single Cash Market Products; and
- (iii) any remaining part of the Crossing Order is then crossed at the Crossing price under the appropriate condition code as set out below.

For the purposes of this paragraph (d):

- (iv) the Crossing in a Cash Market Product is effected by using the specific Priority Crossing function and is reported in conjunction with the Condition Code XT;
- (v) the Crossing in a Cash Only Combination is effected by using:
  - (A) the Combination Order entry function to satisfy all Bids and Offers in the Trading Platform at better prices for the Combination; and
  - (B) the Combination Trade Report Function to report the component single Cash Market Products for any remaining part of the Combination Crossing Order immediately following (v)(A) above and in conjunction with the Condition Code XTTM.

(e) Centre Point Priority Crossings

A Crossing of Centre Point Orders can be effected in respect of Cash Market Products as follows:

- (i) the Trading Participant requests a Crossing price which is the mid-point between the Bid and Offer for the relevant Cash Market Product as determined by ASX in accordance with the definition of a Centre Point Market Order;
- (ii) the Trading Participant may then Cross the Centre Point Orders at that Crossing price within 30 seconds of the price being provided.

Amended 14/09/10

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## **Removal or retention of Orders at end of day**

### Procedure 4070

Unless otherwise determined by ASX:

- (a) all unmatched Orders in respect of Cash Market Transactions, (excluding Warrants, Managed Fund Products and Structured Products) in TradeMatch at the end of each Trading Day will be carried over to the next Trading Day, with the exception of the following Orders which are purged by ASX at the end of each Trading Day:
  - (i) Orders which are more than 60% away from the best Bid and Offer, with a price threshold of 20 cents;

- (ii) Orders with validity set to 'Day', 'Date' and 'Exp';
  - (iii) Orders for a Cash Market Product which is the subject of a corporate action (eg ex dividend);
  - (iv) Orders for a Cash Market Product that has been de-listed intra-day;
  - (v) Orders that are centrally inactivated as a result of entering a particular Session State (e.g. suspend).
- (b) all unmatched Orders in respect of Derivatives Market Transactions in TradeMatch will be removed at the end of each Trading Day;
- (c) all unmatched Orders in respect of Combinations in TradeMatch will be removed at the end of each Trading Day;
- (d) all unmatched Orders in the VolumeMatch Book will be removed after participating in one Session State in the VolumeMatch Book or when the value of the Order is less than the minimum size for trades in accordance with Rule [4201].
- (e) all unmatched Orders in PureMatch will be removed at the end of the each Trading Day:-
- (fe) all unmatched Centre Point Orders will be removed at the end of each Trading Day.

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## **PUREMATCH**

### Procedure 4302

Orders under Rule [4022] (Iceberg Orders), Rule [4023] (undisclosed orders) and Rule [4024] (CentrePoint Orders) may not be entered into PureMatch.

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# APPENDICES TO THE ASX OPERATING RULE PROCEDURES

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## APPENDIX 4013

### PART 1(a) – SESSION STATES AND PARAMETERS

The Session States and parameters in respect of them for parts of the Trading Platform other than PureMatch are as set out in the table below. The parameters describe the manner in which a Trading Platform will function during a Session State while it is operational:

Session State	Parameters
<b>Pre_Open</b>	<ul style="list-style-type: none"><li>• Bids and Offers may be entered, amended or cancelled in the Trading Platform;</li><li>• Bids and Offers remaining in the Trading Platform from the previous Session State may be amended or cancelled;</li><li>• Bids and Offers remaining in the Trading Platform at the commencement of the Session State retain their ranking In Price/Time Priority;</li><li>• No Bids or Offers will be matched;</li><li>• Allowable trades may be reported.</li></ul>
<b>Open</b>	<ul style="list-style-type: none"><li>• An Auction is conducted on commencement of the Session State;</li><li>• Qualifying Bids and Offers that have not been matched in the Auction on transition to the Session State retain their ranking In Price/Time Priority;</li><li>• Bids and Offers may be entered, amended or cancelled in the Trading Platform;</li><li>• Bids and Offers are matched in Price/Time Priority on a continuous basis;</li><li>• Allowable trades may be reported.</li></ul>
<b>Open_Quote-Display</b>	<ul style="list-style-type: none"><li>• Indicative Bids and Offers may be entered, amended or cancelled only by issuers of the quoted instrument in the Trading Platform;</li><li>• Indicative Bids and Offers remaining in the Trading Platform from the previous Session State may be amended or cancelled;</li><li>• Indicative Bids and Offers remaining in the Trading Platform at the commencement of the Session State retain their ranking In Price/Time Priority;</li><li>• No Indicative Bids or Offers will be automatically matched;</li><li>• Orders are matched manually between the issuer of the quoted instrument and counterparty and then reported as an allowable Off Market Transaction.</li></ul>
<b>Pre_CSPA</b>	<ul style="list-style-type: none"><li>• Parameters are as for the Pre_Open Session State.</li></ul>

<b>CSPA</b>	<ul style="list-style-type: none"> <li>• An Auction is conducted on commencement of the Session State;</li> <li>• No Bids and Offers may be entered, amended or cancelled in the Trading Platform;</li> <li>• Qualifying Bids and Offers that have not been matched in the Auction will be carried through to the next Session State In Price/Time Priority;</li> <li>• No trades may be reported.</li> </ul>
<b>Late_Trading</b>	<ul style="list-style-type: none"> <li>• No Bids and Offers may be entered or amended;</li> <li>• Bids and Offers remaining from the previous Trading Session State may be cancelled;</li> <li>• No Bids or Offers will be automatically matched;</li> <li>• Manual Procedures for matching In Price/Time Priority apply;</li> <li>• Allowable trades may be reported.</li> </ul>
<b>Pre_Night-Trading</b>	<ul style="list-style-type: none"> <li>• Parameters are as for the Pre-Open Session State.</li> </ul>
<b>Open_Night-Trading</b>	<ul style="list-style-type: none"> <li>• Parameters are as for the Open Session State.</li> </ul>
<b>Adjust</b>	<ul style="list-style-type: none"> <li>• No Bids and Offers may be entered;</li> <li>• Bids and Offers remaining in the Trading Platform from the previous Session State may be cancelled, or amended provided their ranking In Price/Time Priority is not improved;</li> <li>• No Bids or Offers will be matched;</li> <li>• Allowable trades may be reported.</li> </ul>
<b>Adjust_ON</b>	<ul style="list-style-type: none"> <li>• Parameters are as for the Adjust Session State</li> </ul>
<b>Enquire</b>	<ul style="list-style-type: none"> <li>• No Trading Messages may be entered or amended in the Trading Platform and no matching or Auctions take place;</li> <li>• Trading Platform remains available for enquiries.</li> </ul>
<b>Pre_NR</b>	<ul style="list-style-type: none"> <li>• Parameters are as for the Pre-Open Session State.</li> </ul>
<b>Suspend</b>	<ul style="list-style-type: none"> <li>• Bids and Offers may not be entered;</li> <li>• Bids and Offers remaining from the previous Trading Session State may be cancelled but not amended;</li> <li>• No Bids and Offers are matched or Auctions take place;</li> <li>• No trades may be reported.</li> </ul>
<b>Trading_Halt</b>	<ul style="list-style-type: none"> <li>• Bids and Offers may be entered, amended or cancelled in the Trading Platform;</li> <li>• Bids and Offers remaining in the Trading Platform from the previous Session State may be amended or cancelled;</li> <li>• All Bids and Offers remaining in the Trading Platform from the previous Session State retain their ranking In Price/Time Priority;</li> <li>• No Bids and Offers are matched or Auctions take place;</li> <li>• No trades may be reported.</li> </ul>

<b>Purge_Orders</b>	<ul style="list-style-type: none"> <li>• All expired unmatched Bids and Offers in the Trading Platform are centrally inactivated/ cancelled;</li> <li>• No Bids and Offers are matched or Auctions take place;</li> <li>• Bids and Offers may not be entered or amended;</li> <li>• No trades may be reported.</li> </ul>
<b>Close</b>	<ul style="list-style-type: none"> <li>• No Trading Messages may be entered or amended in the Trading Platform and no matching or Auctions take place.</li> </ul>
<b>System_Maintenance</b>	<ul style="list-style-type: none"> <li>• Parameters are as for the Enquire Session State.</li> </ul>
<b>Open_VMB</b>	<ul style="list-style-type: none"> <li>• Bids and Offers may be entered, amended or cancelled in the VolumeMatch Book;</li> <li>• Bids and Offers are matched in time priority on a continuous basis.</li> </ul>
<b>Wait_VMB</b>	<ul style="list-style-type: none"> <li>• On commencement of this session state, all unmatched Bids and Offers in the VolumeMatch Book are centrally inactivated;</li> <li>• Bids and Offers may not be entered.</li> </ul>

## **PART 1(b) –SESSION STATES AND PARAMETERS (PUREMATCH)**

The Session States and parameters in respect of them for PureMatch are as set out in the table below. The parameters describe the manner in which a Trading Platform will function during a Session State while it is operational:

<b><u>Session State</u></b>	<b><u>Parameters</u></b>
<b><u>Pre_Open</u></b>	<ul style="list-style-type: none"><li>• <u>Bids and Offers may not be entered or amended</u></li><li>• <u>Bids and Offers may be cancelled;</u></li><li>• <u>No Bids or Offers will be matched;</u></li><li>• <u>No trades may be reported.</u></li></ul>
<b><u>Open</u></b>	<ul style="list-style-type: none"><li>• <u>Bids and Offers may be entered, amended or cancelled;</u></li><li>• <u>Bids and Offers are matched in Price/Time priority on a continuous basis.</u></li><li>• <u>No trades may be reported.</u></li></ul>
<b><u>Adjust</u></b>	<ul style="list-style-type: none"><li>• <u>No Bids and Offers may be entered or amended;</u></li><li>• <u>Bids and Offers may be cancelled;</u></li><li>• <u>No Bids or Offers will be matched;</u></li><li>• <u>No trades may be reported.</u></li></ul>
<b><u>Enquire</u></b>	<ul style="list-style-type: none"><li>• <u>No Trading Messages may be entered or amended in the Trading Platform and no matching or Auctions take place;</u></li><li>• <u>Trading Platform remains available for enquiries.</u></li></ul>
<b><u>Pre_NR</u></b>	<ul style="list-style-type: none"><li>• <u>Parameters are the same as for the Pre-Open Session State.</u></li></ul>
<b><u>Suspend</u></b>	<ul style="list-style-type: none"><li>• <u>Bids and Offers may not be entered or amended;</u></li><li>• <u>Bids and Offers may be cancelled;</u></li><li>• <u>No Bids and Offers are matched or Auctions take place;</u></li><li>• <u>No trades may be reported.</u></li></ul>
<b><u>Trading Halt</u></b>	<ul style="list-style-type: none"><li>• <u>Bids and Offers may not be entered or amended;</u></li><li>• <u>Bids and Offers may be cancelled;</u></li><li>• <u>No Bids and Offers are matched or Auctions take place;</u></li><li>• <u>No trades may be reported.</u></li></ul>
<b><u>Reg_Halt</u></b>	<ul style="list-style-type: none"><li>• <u>Parameters are the same as for the Pre_Open Session State.</u></li></ul>
<b><u>Purge Orders</u></b>	<ul style="list-style-type: none"><li>• <u>All unmatched Bids and Offers in the Trading Platform are centrally inactivated/ cancelled;</u></li><li>• <u>No Bids and Offers are matched or Auctions take place;</u></li><li>• <u>Bids and Offers may not be entered or amended;</u></li><li>• <u>No trades may be reported.</u></li></ul>
<b><u>Close</u></b>	<ul style="list-style-type: none"><li>• <u>No Trading Messages may be entered or amended in the Trading Platform and no matching or Auctions take place.</u></li></ul>

<u>System</u> <u>Maintenance</u>	<ul style="list-style-type: none"><li>Parameters are the same as for the Enquire Session State.</li></ul>
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## PART 2 – SESSION STATES TIMES

Unless otherwise notified by ASX to Trading Participants (by message or code displayed in the Trading Platform or such other means as ASX considers appropriate), Session States will apply at the times indicated in the timetable set out below in respect of the Products indicated.

Name of Session State	Equity Securities (Incl Managed Fund Products and ETF Securities) <sup>3</sup> <u>***</u>	Grain Futures and Options	Wool Futures	Equity Options	Index Futures and Options	Interest Rate Securities (excluding Wholesale and Gov. Loan Securities)	Wholesale and Government Loan Securities	Warrants - Index, Commodity, & Currency	Warrants - Excl. Index, Commodity, & Currency	Quote Display Board	Volume Match Book	<u>Pure Match</u>
Pre_Open	07.00.00-10.00.00 <sup>1</sup> <u>***</u>	08.00.00-11.00.00 <sup>1</sup> <u>**</u>	07.00.00-09.50.00 <sup>1</sup> <u>**</u>	07.00.00-10.00.00 <sup>4</sup> <u>*****</u>	07.00.00-09.50.00 <sup>1</sup> <u>**</u>	07.00.00-10.00.00 <sup>5</sup> <u>***</u>		07.00.00-09.50.00 <sup>1</sup> <u>**</u>	07.00.00-10.00.00 <sup>6</sup> <u>*****</u>			
Wait_VMB											07.00.00-10.30.00 <sup>#</sup>	
Open	10.00.00 <sup>1</sup> -16.00.00 <u>**</u>	11.00.00 <sup>1</sup> -16.30.00 <u>**</u>	09.50.00 <sup>1</sup> -16.30.00 <u>**</u>	10.00.00 <sup>4</sup> -16.20.00 <u>*****</u>	09.50.00 <sup>1</sup> -17.00.00 <u>**</u>	10.00.00 <sup>5</sup> -16.00.00 <u>**</u>		09.50.00 <sup>1</sup> -16.00.00 <u>**</u>	10.00.00 <sup>6</sup> -16.00.00 <u>*****</u>			<u>10:00:00-16:12:00</u>
Open_Quote-Display							07.00.00-18.45.00			07.00.00-18.45.00		
Open_VMB											10:30:00 <sup>#</sup> – 10:33:00	
Wait_VMB											10:33:00 – 10:35:00 <sup>#</sup>	
Open_VMB / Wait_VMB <sup>##</sup>											10:30:00 <sup>#</sup> – 15:33:00	
Adjust							18.45.00-18.50.00				15:33:00 – 18:50:00	
Pre_CSPA	16.00.00-16.10.00 <sup>2</sup> <u>**</u>					16.00.00-16.10.00 <sup>2</sup> <u>**</u>		16.00.00-16.10.00 <sup>2</sup> <u>**</u>	16.00.00-16.10.00 <sup>2</sup> <u>**</u>			

<b>CSPA</b>	16.10.00 <sup>2**</sup> 16.12.00					16.10.00 <sup>2**</sup> 16.12.00		16.10.00 <sup>2**</sup> 16.12.00	16.10.00 <sup>2**</sup> 16.12.00			
<b>Late_Trading</b>			16.30.00- 17.00.00	16.20.00- 17.00.00								
<b>Pre_Night- Trading</b>		16.30.00- 17.30.15 <sup>1</sup> *			17.00.00- 17.30.00 <sup>1</sup> *							
<b>Open_Night- Trading</b>		17.30.15 <sup>1</sup> * 18.30.00			17.30.00 <sup>1</sup> * 18.50.00							
<b>Adjust</b>	16.12.00- 17.00.00					16.12.00- 17.00.00		16.12.00- 17.00.00	16.12.00- 17.00.00	18.45.00- 18:50:00		16:12:00- 18:50:00
<b>Adjust_ON</b>	17.00.00- 18.50.00					17.00.00- 18.50.00		17.00.00- 18.50.00	17.00.00- 18.50.00			
<b>Enquire</b>		18.30.00- 18.50.00	17.00.00- 18.50.00	17.00.00- 18.50.00								
<b>Purge Orders</b>	18.50.00- 18.59.00	18.50.00- 19.00.00	18.50.00- 19.00.00	18.50.00- 19.00.00	18.50.00- 19.00.00	18.50.00- 18.59.00		18.50.00- 18.59.00	18.50.00- 18.59.00	18.50.00- 18.59.00	18.50.00- 18.59.00	18:50:00- 18:59:00
<b>System Maintenance</b>	18.59.00- 19.00.00					18.59.00- 19.00.00	18.59.00- 19.00.00	18.59.00- 19.00.00	18.59.00- 19.00.00	18.59.00- 19.00.00	18.59.00- 19.00.00	18:59:00 - 19:00:00
<b>Close</b>	19.00.00- 07.00.00	19.00.00 08.00.00	19.00.00- 07.00.00	19.00.00- 07.00.00	19.00.00- 07.00.00	19.00.00- 07.00.00	19.00.00- 07.00.00	19.00.00- 07.00.00	19.00.00- 07.00.00	19.00.00- 07.00.00	19.00.00- 07.00.00	19:00:00- 10:00:00

<sup>\*1</sup> Random Openings;  
—+/- 15 secs

<sup>\*\*\*\*4</sup> Equity Options random Openings;  
+ 14 secs / - 15 secs

<sup>\*\*2</sup> Random CSPA;  
—+/- 30 secs

<sup>\*\*\*\*\*5</sup> Interest Rate Securities random Openings;  
+ 15 secs / - 14 secs

<sup>\*\*\*3</sup> Equity Group random Openings for  
TradeMatch;  
—+/- 15 secs

<sup>\*\*\*\*\*6</sup> Warrants - Excl. Index, Commodity, & Currency random  
Openings;  
+ 14 secs / - 14 secs

Group 1 A – B 10:00:00  
Group 2 C – F 10:02:15

# Random Opening;  
+ 15 secs

Group 3 G – M 10:04:30  
Group 4 N – R 10:06:45  
Group 5 S – Z 10:09:00

## VolumeMatch Book trading session states;  
—From 10:30:00 to 15:33:00 this market cycles between Open\_VMB  
and Wait\_VMB session states