

**Australian Securities and Investments Commission
Corporations Act 2001 – Paragraph 1020F(1)(a) – Exemption**

Enabling legislation

1. The Australian Securities and Investments Commission makes this instrument under paragraph 1020F(1)(a) of the *Corporations Act 2001 (Act)*.

Title

2. This instrument is ASIC Class Order [CO 10/135].

Commencement

3. This instrument commences on the later of:
 - (a) the day the instrument is registered under the *Legislative Instruments Act 2003*; and
 - (b) 1 June 2010.

Note: An instrument is registered when it is recorded on the Federal Register of Legislative Instruments (*FRLI*) in electronic form: see *Legislative Instruments Act 2003*, s 4 (definition of *register*). The FRLI may be accessed at <http://www.frli.gov.au/>.

Exemption

4. A seller with a short position in relation to a security or managed investment product that does not exceed the value limit and the volume limit on a day does not have to comply with:
 - (a) section 1020AB of the Act to the extent that it requires the seller to give the particulars specified in paragraph 7.9.100(1)(d) of the *Corporations Regulations 2001 (Regulations)*; or
 - (b) regulation 7.9.100A of the Regulations;in relation to the short position.

Note: But for paragraph 4, particulars of a short position to which these regulations apply would need to be given to ASIC 3 reporting days later.

Interpretation

5. In this instrument:

- (a) the *value limit* in relation to a person for a security or managed investment product that is able to be traded on a financial market is not exceeded on a day if:

$$A \times B$$

does not exceed \$100,000 where:

A = the seller's short position in relation to the security or product as at 7pm on the day.

B = either:

- (a) the last sale price for the security or product on the financial market on the day (or, if there is no such price on that day, the last sale price on the financial market); or
- (b) the price determined and published by the operator of the market after the close of trading for the day as the value of the security or product on the day.

- (b) the *volume limit* in relation to a person for a security or managed investment product that is able to be traded on a financial market is not exceeded on a day if:

$$\frac{A}{B} \times 100$$

does not exceed 0.01 where:

A = the seller's short position in relation to the security or product as at 7pm on the day.

B = the total quantity of securities or products in the same class of securities or products on the day.

- (c) *seller* has the same meaning as in subsection 1020AB(1) of the Act.

short position has the meaning given by regulation 7.9.99 of the Regulations.

Dated this 14th day of April 2010

Signed by Stephen Yen PSM
as a delegate of the Australian Securities and Investments Commission