

**Australian Securities and Investments Commission
ASIC Market Integrity Rules (Competition in Exchange Markets) 2011 –
Subrule 1.2.1(1) – Class Rule Waiver**

Enabling provision

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under subrule 1.2.1(1) of the *ASIC Market Integrity Rules (Competition in Exchange Markets) 2011* (the *Competition Rules*).

Title

2. This instrument is ASIC Class Rule Waiver [CW 14/6].

Commencement

3. This instrument commences on the later of the following days:
 - (a) the day on which this instrument is registered under the *Legislative Instruments Act 2003 (LIA)*;
 - (b) the day after the day on which the *ASIC Market Integrity Rules (Competition in Exchange Markets) Amendment 2014 (No.1)* is registered under the LIA.

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*, section 4 (definition of *register*). The FRLI may be accessed at <http://www.frli.gov.au/>.

Waiver

4. ASIC relieves a Participant from the obligation to comply with paragraph 4A.2.1(1)(ba) of the Competition Rules to the extent that paragraph requires the Participant to describe in a Crossing System Initial Report:
 - (a) a code identifying a Crossing System operated by another Participant;
 - (b) the legal name of a Participant that operates a Crossing System; and
 - (c) information about whether Orders are received from a Crossing System or Participant identified under paragraph (a) or (b),
 because Orders may be executed or matched in the Participant's Crossing System with Orders received via another person (the *Aggregator*) from the other Crossing System or Participant, in the circumstances set out in paragraph 6 of this instrument, subject to the conditions in paragraph 7 of this instrument.

Note: An aggregator may be, for example, another Participant that receives Orders and operates an aggregation algorithm that transmits received Orders to one or more other execution venues (licensed markets, or other Crossing Systems).

5. ASIC relieves a Participant from the obligation to comply with subrule 4A.3.1(1) of the Competition Rules, to the extent that subrule requires the Participant to make available on website that is publicly accessible and free of charge:

- (a) a code identifying a Crossing System operated by another Participant;
- (b) the legal name of a Participant that operates a Crossing System; and
- (c) information about whether Orders are received from a Crossing System or Participant identified under paragraph (a) or (b),

because Orders may be executed or matched in the Participant's Crossing System with Orders received via another person (the *Aggregator*) from the other Crossing System or Participant, in the circumstances set out in paragraph 6 of this instrument, subject to the conditions in paragraph 8 of this instrument.

6. For the purposes of paragraphs 4 and 5 of this instrument, the circumstances are that the Participant is not reasonably able to identify the other Crossing System or Participant required to be identified by paragraph 4A.2.1(1)(ba) or subrule 4A.3.1(1) of the Competition Rules, because Orders are received from that Crossing System or Participant via the Aggregator.

Conditions

7. It is a condition of the relief in paragraph 4 of this instrument that the Participant must:
- (a) describe in the relevant Crossing System Initial Report lodged with ASIC under Rule 4A.2.1 of the Competition Rules:
 - (i) the legal name of the Aggregator;
 - (ii) a statement that Orders in the Participant's Crossing System may be executed or matched with Orders received via the Aggregator;
 - (iii) a unique code identifying each Crossing System operated by the Aggregator; and
 - (b) for the purposes of the requirement in Rule 4A.2.2 of the Competition Rules to prepare and provide to ASIC a Crossing System Monthly Report, treat any change during a calendar month to the information provided in compliance with paragraph (a):
 - (i) as a change required to be set out in a Crossing System Monthly Report; and
 - (ii) if the Participant is not otherwise required to prepare and provide to ASIC a Crossing System Monthly Report in relation to that calendar month, as a change requiring the preparation and provision to ASIC of a Crossing System Monthly Report.

Note: Rule 4A.2.2 requires a Participant that operates a Crossing System during a calendar month to prepare a Crossing System Monthly Report setting out any changes to the information provided in its Crossing System Initial Report. From 28 October 2014, Rule 4A.2.2 will be amended to require that a Participant prepare and lodge with ASIC a Crossing System Monthly Report where there is a change during a calendar month to information last provided to ASIC in a Crossing System Monthly Report or Crossing System Initial Report.

8. It is a condition of the relief in paragraph 5 of this instrument that the Participant must:

- (a) make available the information referred to in subparagraphs 7(a)(i) to (iii) of this instrument:
 - (i) on a website that is publicly accessible; and
 - (ii) free of charge; and
- (b) comply with Rules 4A.3.1 and 4A.3.2 of the Competition Rules as if the information referred to in subparagraphs 7(a)(i) to (iii) of this instrument was Publicly Available Crossing System Information for the purposes of those Rules.

Interpretation

- 9. In this instrument, unless the contrary intention appears, capitalised terms have the meaning given by the Competition Rules.

Dated this 5th day of March 2014

Signed by Greg Yanco
as a delegate of the Australian Securities and Investments Commission