



ASIC

Australian Securities & Investments Commission

ASIC Market Integrity Rules (ASX Market) Amendment 2015 (No. 2)

I, Oliver Harvey, delegate of the Australian Securities and Investments Commission, with the written consent of the Minister, make the following legislative instrument.

Date 19 October 2015

Oliver Harvey

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Part 1—Preliminary

1 Name of legislative instrument

This instrument is *ASIC Market Integrity Rules (ASX Market) Amendment 2015 (No. 2)*.

2 Commencement

This instrument commences on the day after it is registered on the Federal Register of Legislative Instruments.

Note: The register may be accessed at www.comlaw.gov.au.

3 Authority

This instrument is made under subsection 798G(1) of the *Corporations Act 2001*.

4 Schedule

Schedule 1 amends the *ASIC Market Integrity Rules (ASX Market) 2010*.

Schedule 1—Amendments

ASIC Market Integrity Rules (ASX Market) 2010

1 Rule 1.4.3, definition of “ETF”

Repeal the definition.

2 Rule 1.4.3, definition of “ETF Security”

Repeal the definition.

3 Rule 1.4.3, after definition of “Equity Securities”

Insert ““ETF” means a Managed Fund:

- (a) which is listed on the Market or admitted to Trading Status as an AQUA Product or to the AQUA Quote Display Board;
- (b) with power and approval to continuously issue and have quoted on the Market, Equity Securities in the Managed Fund;
- (c) which provides for the issue of new Equity Securities in return for the subscriber transferring to the Managed Fund a portfolio of Securities, cash, or a combination of Securities and cash; and
- (d) for which the price of the Underlying Instrument is continuously disclosed or can be immediately ascertained.

“ETF Security” means a Financial Product issued by or provided pursuant to an ETF.”

4 Rule 1.4.3, definition of “Managed Fund”

Omit the definition, substitute ““Managed Fund” means:

- (a) a managed investment scheme which is a registered managed investment scheme pursuant to section 601EB of the Corporations Act or a managed investment scheme which ASIC has exempted from those registration requirements.; or
- (b) a foreign company which has the economic features of a managed investment scheme, namely:
 - (i) investors contribute money or money’s worth to acquire rights to benefits produced by the collective investment;
 - (ii) 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

- (iii) investors holding Financial Products issued in the collective investment do not have day to day control over the operation of the collective investment.”

5 Rule 2.4.1, after subrule 2.4.1(2)

Insert “(3) A person:

- (a) accredited as a Level One Accredited Derivatives Adviser under the Rule 2.4.7 of the ASIC Market Integrity Rules (Chi-X Australia Market) 2011 holds the relevant accreditation required by these Rules for the provision of Financial Product Advice to a Retail Client in relation to subscribing for, buying, selling and exercising Warrants;
- (b) accredited as a Level Two Accredited Derivatives Adviser under the Rule 2.4.8 of the ASIC Market Integrity Rules (Chi-X Australia Market) 2011 holds the relevant accreditation required by these Rules for the provision of Financial Product Advice to a Retail Client in relation to subscribing for, buying, selling and exercising Warrants, and in relation to all trading strategies relating to Warrants.”

6 Rule 3.1.8, after subrule 3.1.8(3)

Insert “(4) A Market Participant is not required to comply with subrules (1) and (2) if the Market Participant is a participant of the market operated by Chi-X Australia Pty Ltd (ACN 129 584 667) and the Market Participant has a written agreement with the Client under Rule 3.1.8 of the ASIC Market Integrity Rules (Chi-X Australia Market) 2011.

Note: Subrule (4) does not affect a Market Participant’s obligation to give a Client a copy of an explanatory booklet under Rule 3.1.2.”