

**Australian Securities and Investments Commission
Corporations Act 2001 — Subsection 798G(1) — Variation**

1. Enabling legislation

I, Greg Yanco, with the written consent of the Minister, make this instrument under subsection 798G(1) of the *Corporations Act 2001*.

Dated this 12th day of July 2012

Signed by Greg Yanco

as a delegate of the Australian Securities and Investments Commission

2. Title

This instrument is *ASIC Market Integrity Rules (ASX Market) Amendment 2012 (No. 1)*.

3. Commencement

This instrument commences on the day after the instrument is registered under the *Legislative Instruments Act 2003*.

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/>.

4. Amendments

The *ASIC Market Integrity Rules (ASX Market) 2010* are amended as follows:

[1] After Part 5.10

insert

Part 5.11 Suspicious activity reporting

5.11.1 Notification requirement

(1) Subject to subrules (2) and (3), if a Market Participant has reasonable grounds to suspect that:

- (a) a person (“the Insider”) has placed an order into or entered into a transaction on the Market in relation to a financial product while in possession of inside information (within the meaning of section 1042A of the Corporations Act), whether or not the Market Participant is aware of:
 - (i) the identity of the Insider; or
 - (ii) all of the details of the order or transaction; or
- (b) a transaction or an order transmitted to a Trading Platform has or is likely to have the effect of:
 - (i) creating an artificial price for trading in financial products on the Market;
 - (ii) maintaining at a level that is artificial (whether or not it was previously artificial) a price for trading in financial products on the Market;
 - (iii) creating, or causing the creation of, a false or misleading appearance of active trading in financial products on the Market; or
 - (iv) creating, or causing the creation of, a false or misleading appearance with respect to the market for, or the price for trading in, financial products on the Market,whether or not the Market Participant is aware of:
 - (v) the intention of any party to the transaction or order; or
 - (vi) all of the details of the transaction or order,

the Market Participant must, as soon as practicable, notify ASIC in writing of the details of the transaction or order (to the extent known to the Market Participant) and the reasons it suspects the matter set out in paragraphs (a) and/or (b).

(2) A Market Participant is not required to notify ASIC under subrule (1) if the Market Participant has reported the information that would otherwise be required to be contained in the notification to ASIC under subrule (1) to the Australian Transaction Reports and Analysis Centre under section 41 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* or under section 16 of the *Financial Transaction Reports Act 1988*.

(3) A Market Participant is not required to comply with subrule (1) until 1 November 2012.

Maximum penalty: \$20,000

5.11.2 Confidentiality

A Market Participant who notifies ASIC under subrule 5.11.1(1) must not disclose that the notification was made, or the information contained in the notification, to any person other than:

- (a) for the purposes of seeking legal advice; or

(b) as required by law.

Maximum penalty: \$20,000