

**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 (Chi-X Australia Market) Amendment 2012 (No. 2)*.

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 (Chi-X Australia Market) 2011* are amended as follows:

[1] Rule 1.4.3, after definition of “Relevant Financial Market”

insert

“**Reportable Short Sale Order**” means an Order to sell Section 1020B Products which, if executed, would result in a Reportable Short Sale Transaction.

“**Reportable Short Sale Transaction**” means a transaction for the sale of Section 1020B Products for which the seller is required to comply with subsection 1020AB(3) of the Corporations Act.

[2] Rule 1.4.3, after definition of “Scheme”

insert

“**Section 1020B Products**” has the meaning given by subsection 1020B(1) of the Corporations Act.

“**Securities Lending Arrangement**” has the meaning given by subsection 1020AA(1) of the Corporations Act.

[3] After Part 5.11

insert

Part 5.12 Identification of short sales

5.12.1 Identification of short sales

A Market Participant must:

- (a) include in a Reportable Short Sale Order transmitted to the Market the number of Section 1020B Products that the seller will vest in the buyer under the relevant Securities Lending Arrangement; and
- (b) include in a report of a Reportable Short Sale Transaction, provided to the Market Operator under Rule 5.1.1 of the Competition Market Integrity Rules, the number of Section 1020B Products that the seller will vest in the buyer under the relevant Securities Lending Arrangement.

Maximum penalty: \$1,000,000

5.12.2 Compliance start date

A Market Participant is not required to comply with Rule 5.12.1 until 10 March 2014.