

PROPOSED AMENDMENTS TO ASX OPERATING RULES

SECTION 7 DEFINITIONS AND INTERPRETATION

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DEFINITIONS

[7100] In these Rules and in the Procedures, unless the context otherwise requires:

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"Crypto-asset" means a digital representation of value or rights (including rights to property), the ownership of which is evidenced cryptographically and that is held and transferred electronically by:

- (a) a type of distributed ledger technology; or
- (b) another distributed cryptographically verifiable data structure.

Introduced 30/05/22

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"Eligible Crypto-asset" means:

- (a) a Crypto-asset specified in the Procedures; or
- (b) any other Crypto-asset that ASX is satisfied is an acceptable Underlying Instrument for an AQUA Product.

In the case of paragraph (b), if the Crypto-asset is not a Financial Product, in determining whether the Crypto-asset is an acceptable Underlying Instrument for an AQUA Product, ASX must be satisfied of the following matters:

- (i) there is a high level of institutional support and acceptance of the Crypto-asset being used for investment purposes;
- (ii) reputable and experienced service providers (including custodians, fund administrators, market makers and index providers) are available and willing to support AQUA Products that invest in, or provide exposure to, the Crypto-asset;
- (iii) there is a mature spot market for the Crypto-asset;
- (iv) there is a regulated derivatives market for trading derivatives linked to the Crypto-asset in question that facilitates price discovery for the Crypto-asset; and
- (v) a robust and transparent pricing mechanism for the Crypto-asset is available where the basis of that pricing mechanism is a benchmark price or index published by a widely regarded provider that:
 - (A) reflects a substantial proportion of trading activity in the relevant pair(s), in a representative and unbiased manner;
 - (B) is designed to be resistant to manipulation; and
 - (C) complies with recognised benchmark selection principles such as the IOSCO Principles for financial benchmarks, the EU

Attachment A

[Benchmarks Regulation, or other internationally recognised benchmark selection principles.](#)

[Introduced 30/05/22](#)

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"Underlying Instrument" means in relation to Option Series and Futures Series, the instrument which underlies that Option Series or Futures Series as determined by ASX; in relation to Warrants means the Financial Product, index, foreign or Australian currency or commodity which underlies that Warrant; and in relation to AQUA Products means the Financial Product, index, foreign or Australian currency, commodity, [Crypto-asset](#) or other point of reference for determining the value of the AQUA Product.

[Amended 30/05/22](#)

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SCHEDULE 10A AQUA PRODUCTS AND THE AQUA TRADING MARKET

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10A.3.3 Requirements for admission

~~A Financial Product will only be a~~Admitted~~ssion~~ to Trading Status, to the Quote Display Board or for settlement through the Managed Fund Settlement Service as will only be granted to an AQUA Products if all the following requirements are satisfied:

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(c) the capital value or distributions of the Financial Product must be linked to Underlying Instruments which are:

- (i) securities, derivatives, debentures, bonds or other Ffinancial Pproducts that are admitted to trading on:
 - (A) ~~admitted to trading on~~ the Market;
 - (B) ~~traded on~~ a Non-ASX Market that is specified in the Procedures; or
 - (C) ~~traded on~~ any other Non-ASX Market where ASX is satisfied that:
 - (i) ~~the~~ Non-ASX Market is subject to regulation that is at least equivalent to the regulation of a market operator licenced under section 795B(1) of the Corporations Act; and
 - (ii) ~~the~~ Underlying Instrument is subject to substantially equivalent disclosure requirements to those which would apply if the Underlying Instrument were admitted to trading on the Market ~~and which are acceptable to ASX~~;

Note: To avoid doubt, a Crypto-asset that is a security, derivative, debenture, bond or other Financial Product and that meets the requirements of sub-paragraph (i) above may be admitted as an Approved AQUA Product under that sub-paragraph rather than as an Eligible Crypto-asset under sub-paragraph (v) below.

- (ii) debentures, bonds, deposit products or Money Market Instruments ~~which that~~ are:
 - (A) included in an index specified in the Procedures; or
- ~~(iii) debentures, bonds, deposit products or Money Market Instruments:~~
 - (BA) ~~which are~~ issued or guaranteed by a government or by an entity of a type specified in the Procedures; and in respect of which ASX is satisfied that Relevant Authorised Participants and AQUA Market Makers have sufficient information available in a timely manner to enable them to reliably determine prices at which the debentures, bonds, deposit products or Money Market Instruments are bought or sold;

Attachment A

- (iii) an Eligible Debt Portfolio;
- (iv) commodities or currencies where ASX is satisfied that:
 - (A) the prices at which such commodities or currencies are bought or sold are available to market users in a timely manner; or
 - (B) there is a regulated derivatives market which controls price discovery for the commodity or currency in question; and
- (v) Eligible Crypto-assets; and
- (vi) indices over any of the Underlying Instruments listed in paragraphs (c)(i) to (c)(v) where ASX is satisfied that the index in question is widely regarded as having robust and transparent eligibility criteria, governance arrangements and methodologies for constructing and maintaining the index.

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Amended 09/01/12, 21/03/14, 13/05/15, 27/06/16, 06/02/17, 22/09/21, [30/05/22](#)