



ASIC

Australian Securities & Investments Commission

ASIC Market Integrity Rules (IMB Market) 2010

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Chapter 1: Introduction

Part 1.1 Preliminary

1.1.1 Enabling legislation

ASIC makes this instrument under subsection 798G(1) of the Corporations Act.

1.1.2 Title

This instrument is *ASIC Market Integrity Rules (IMB Market) 2010*.

1.1.3 Commencement

This instrument commences on the later of:

- (a) the day the instrument is registered under the *Legislative Instruments Act 2003*; and
- (b) the commencement of Schedule 1 to the *Corporations Amendment (Financial Market Supervision) Act 2010*.

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

1.1.4 Scope of these Rules

These Rules apply to:

- (a) the activities or conduct of the Market;
- (b) the activities or conduct of persons in relation to the Market;
- (c) the activities or conduct of persons in relation to financial products traded on the Market.

Note: There is no penalty for this Rule.

1.1.5 Entities that must comply with these Rules

The following entities must comply with these Rules:

- (a) the Market Operator;
- (b) Market Participants; and
- (c) Other Regulated Entities;

as specified in each Rule.

Note: There is no penalty for this Rule.

1.1.6 Conduct by officers, employees or agents

In these Rules, conduct engaged in on behalf of a person:

- (a) by an officer, employee, or other agent of the person, and whether or not within the scope of the actual or apparent authority of the officer, employee, or other agent; or
- (b) by any other person at the direction or with the consent or agreement (whether express or implied) of an officer, employee, or other agent of the person, and whether or not the giving of the direction, consent or agreement is within the scope of the actual or apparent authority of the officer, employee, or other agent,

is deemed to have been engaged in by the person.

Note: There is no penalty for this Rule.

1.1.7 State of mind of a person

(1) If for the purposes of these Rules in respect of conduct engaged in by a person, it is necessary to establish the state of mind of the person, it is sufficient to show that an officer, employee, or other agent of the person, being an officer, employee, or other agent by whom the conduct was engaged in and whether or not the conduct was within the scope of the actual or apparent authority of that officer, employee, or other agent, had that state of mind.

(2) In subrule (1), a reference to the state of mind of a person includes a reference to the knowledge, intention, opinion, belief or purpose of the person and the person's reasons for the person's intention, opinion, belief or purpose.

Note: There is no penalty for this Rule.

Part 1.2 Waiver of the Rules

1.2.1 Waiver of Rules and procedures

- (1) ASIC may provide a waiver from all or any of these Rules to an entity.
- (2) A waiver may be given subject to conditions.
- (3) A waiver, and an application for a waiver, must be in writing.
- (4) In this Part 1.2 "waiver" means a waiver under Rule 1.2.1(1).

Note: There is no penalty for this Rule.

1.2.2 Compliance with conditions

Failure to comply with a condition imposed under Rule 1.2.1 is a contravention of this Rule.

Maximum penalty: \$1,000,000

1.2.3 Period during which relief applies

ASIC may specify that a waiver applies for a specified period.

Note: There is no penalty for this Rule.

1.2.4 Register

(1) ASIC may establish and maintain a register for recording details of relief granted under Rule 1.2.1 and may enter the following details in the register:

- (a) the date that the relief takes effect;
- (b) the person or class of person relieved from the obligation;
- (c) the provision to which the relief applies;
- (d) brief reasons for the relief; and
- (e) any conditions that apply to the relief.

(2) ASIC may publish the register referred to in subrule (1).

Note: There is no penalty for this Rule.

Part 1.3 Definitions

1.3.1 Definitions

“**ASIC**” means the Australian Securities and Investments Commission.

“**Corporations Act**” means the *Corporations Act 2001 (Cth)*.

“**IMB**” means IMB Ltd (ACN 087 651 974).

“**Australian Financial Services Licence**” means a licence granted under section 913B of the Corporations Act.

“**Market**” means the market operated by the Market Operator under the *Australian Market Licence (IMB Ltd) 2005*.

“**Operating Rules**” has the meaning given by section 761A of the Corporations Act.

“**Other Regulated Entities**” means entities prescribed by regulations made for the purposes of paragraph 798H(1)(c) of the Corporations Act, that must comply with these Rules.

“**Market Operator**” means IMB.

“**Market Operating Rules**” means the Operating Rules of the Market.

“**Market Participant**” means a participant in the Market admitted under the Market Operating Rules.

“**Rules**” means these Market Integrity Rules.

“**Share**” means an ordinary share in IMB.

Chapter 2: Market Participants

Part 2.1 Conduct of Market Participants

2.1.1 Conduct of Market Participants

Market Participants must act honestly and fairly at all times when trading in the Market

Maximum penalty: \$1,000,000

Part 2.2 Market Participant Obligations

2.2.1 Market Participant Obligations

A Market Participant must not:

- (a) do anything which results in the Market not being both fair and orderly;
- (b) take advantage of any situation arising as a result of a breakdown or malfunction in the Market or any error in a confirmation of trade sent to the Market Participant; and
- (c) do anything else in relation to the Market which may be regarded by a reasonable person as inconsistent with just and equitable principles in the transaction of business.

Maximum penalty: \$1,000,000