

Date: 12 August 2011

Reference number: 0005/11

**Subject: Chi-X publishes Consultation Paper 01/2011 on proposed amendments to the Operating Rules and Operating Rules: Procedures**

Chi-X is consulting on proposed amendments to its Operating Rules and Operating Rules: Procedures.

It is proposed that the amendments will come into effect in time for the launch of the Chi-X market on 31 October 2011.

The proposed amendments:

- (i) clarify that the rules currently applying to the interpretation of the Operating Rules also apply to the Procedures;
- (ii) amend the definition in the Operating Rules of “excluded loss” to clarify that any loss excluded from Division 3 of the Corporations Act is also excluded from the Chi-X Compensation Arrangements;
- (iii) extend the time during which the Post-Trading Administration phase will run and during which participants may report off market transactions;
- (iv) change the reference price for pegged orders that is specified in the Procedures: the current reference price of the national best bid and offer is being amended to the bid and offer on the central limit order book of ASX’s TradeMatch venue;
- (v) amend the procedures on short sales to (a) allow participants to provide short sale reports to an agent nominated by Chi-X (most likely to be the ASX) and (b) clarify that the contents of short sale reports to Chi-X are the same as for the reports participants are currently providing to ASX.

A copy of Consultation Paper 01/2011 is available on the [Chi-X Australia website](#).

The consultation closes on **2 September 2011**.

Responses to and any queries concerning this notice should be addressed to:

**Compliance**

Michael Somes  
Head of Compliance and Regulatory Affairs  
+61 2 8078 1718  
[michael.somes@chi-x.com](mailto:michael.somes@chi-x.com)

**Chi-X Australia**

Phone: +61 2 8078 1700 | Email: [AU.compliance@chi-x.com](mailto:AU.compliance@chi-x.com) | Web: [www.chi-x.com.au](http://www.chi-x.com.au)