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1 INTRODUCTION

1.1.1 This Information Pack on Cboe Investment Products has been developed in conjunction with issuers, participants and wider stakeholders. It is intended to assist product issuers, participants, financial advisers, investors and wider stakeholders to understand what is necessary to issue and trade investment products on Cboe. The Information Pack does not have the status of the Cboe Operating Rules (Rules) or Operating Rules: Procedures (Procedures), but is intended to assist interested parties in applying the Rules and Procedures to their own circumstances.
2 CBOE INVESTMENT PRODUCTS: KEY FEATURES AND REGULATORY FRAMEWORK

2.1 Key Features

2.1.1 Cboe offers quotation and trading in investment products: Quoted Funds, such as ETFs and QMFs, TraCRs and warrants that are quoted on Cboe are only traded on Cboe. The investment products admitted to quotation by Cboe are collectively referred to in this Information Pack as Cboe investment products.

2.1.2 Cboe investment products have the following features:

(a) product issuers that may be required to deliver underlying assets to the holders of Cboe investment products, are required to either (a) have arrangements in place for ensuring the underlying assets or a cash equivalent will be available for delivery to holders or (b) have a low long term credit risk;

(b) retail investors are covered by a compensation regime that covers loss arising from defalcation and/or fraud related to secondary trading of Cboe investment products;

(c) secondary market trading takes place on an established, reliable and efficient technology platform that is integrated with the wider Cboe trading platform;

(d) conduct is governed by the Cboe Operating Rules, ASIC Market Integrity Rules and a Corporations Act framework;

(e) secondary market trading involves the existing Cboe trading community and a regulated market making regime.

2.2 Regulatory Framework

2.2.1 The Operating Rules relating to investment products are designed so that product issuers seek approval independently of any product that may be admitted to quotation. This is to facilitate the expeditious admission to quotation of products that are similar in nature and risk to those the issuers may have already admitted. This structure will not result in a product issuer being subject to any additional delay for the quotation of its products than if a single product approval process is in place.

2.2.2 Cboe is conscious that in most cases the requirements applying to issuers and products will be found in the Corporations Act, the terms of any relief or waiver granted in respect of Corporations Act requirements, or in equivalent offshore provisions. The Rules and Procedures are structured so that:

- as a general principle, the Rules will not require the issuer of a product that is not a novel product or products that hold 14.17(d) underlying assets, to meet any requirements beyond those contained in the Corporations Act, applicable waivers/relief or the equivalent offshore requirements;

- satisfying the requirements in the Corporations Act, applicable waivers/relief or the equivalent offshore requirements, is necessary to satisfy the rules;

- the requirements in the Corporations Act, applicable waivers/relief or the equivalent offshore requirements, will apply to product issuers on a basis that will take into account any
changes in those requirements either on a legislative or interpretative basis or on the basis of relief that ASIC has provided to a particular issuer;

- Cboe can take a lead role in reviewing the satisfaction of the Corporations Act requirements by product issuers and their products, although ASIC is the ultimate regulator with respect to the Corporations Act.

2.2.3 The Rules and Procedures are structured so that bespoke requirements can be added to the regulatory framework as novel products are introduced to the Cboe investment products universe. An example of this process is the specific eligibility criteria for TraCRs in rules 14.23A and 14.23B.

2.3 Onboarding overview - for registering issuers and quoting products

2.3.1 Onboarding of issuers and quotation of products involves 2 key documents:

(a) Issuer Application Form (IAF); and

(b) Product Application Form (PAF).

2.3.2 More detail on completing the IAF and PAF is outlined in section 3 below.

2.3.3 The onboarding process involves 3 stages – the requirement for, order and overlap of the stages may vary depending on the manner in which the issuer is approaching Cboe (e.g. if only seeking registration as an issuer and the issuer does not yet know the products it is seeking to quote on Cboe then the PAF may not be required).

2.4 Onboarding - Scoping stage

2.4.1 The Investment Products team (IPT) liaises with issuers to understand the products sought to be quoted on Cboe, including the completion of the Product Summary which forms Section 1 of the PAF and captures key details of the investment product the issuer is seeking to quote. The Product Summary can be provided to Cboe L&C to provide initial feedback on the suitability of the investment product, application of the rules and whether referral to ASIC is required. Please note that referral to ASIC (where applicable) will require the completion of all required sections PAF not simply the Product Summary section.

2.4.2 At this time the IPT may also:

(a) Consider the quoting obligations applicable to the particular investment product. NB: Final quoting obligations require review by L&C and approval of the Investment Products Committee (IPC).

(b) Liaise with issuer and Cboe Operations to clarify operational requirements

2.5 Onboarding - Application stage

2.5.1 Once the scoping stage is sufficiently progressed OR where an issuer does not undertake the scoping stage (e.g. existing similar funds quoted on Cboe) the issuer is to complete the:

(a) Product Application Form.
(b) Issuer Application Form. If the issuer has previously completed an IAF it may be necessary for the form and annexures to be updated with the most recent details (e.g. on financials) and re-executed.

2.5.2 Assessment of applications is an iterative process and as such issuers should not submit a signed copy of the application forms at the outset as additional information or documents may be required.

2.5.3 The IPT may respond to enquiries from the issuer in completing the forms but assessment of the completed forms sits with Cboe L&C independent of the IPT.

2.6 Onboarding - Admission stage

2.6.1 Once Cboe L&C has completed its required actions at the application stage, the applications can be considered by the IPC. If the application/s is/are approved:

(a) IPT sends admission/s letter to the issuer and liaises with the issuer and Cboe teams in preparation to commence quotation.

(b) Once timing for quotation is sufficiently secure, Cboe Operations will send a notice notifying the market about the new product.¹

¹As with all general principles, there will be exceptions to this and they are specified in the Rules and Procedures and are covered in some of the commentary below. In particular, the issuer of a novel product may be subject to bespoke Rules and Procedures intended to address any novel features of that product and issuers of products that hold 14.17(d) underlying assets have additional requirements.
3 HOW PRODUCT ISSUERS BECOME REGISTERED

3.1 The Issuer Application Form

3.1.1 Cboe has published an Issuer Application Form (IAF – attachment one) that must be completed by a firm seeking to have products admitted to quotation. The IAF is designed to be self-explanatory but applicants should contact the Investment Products team prior to commencing the application process.

3.1.2 The application process is intended to ensure that an applicant provides Cboe with the necessary information for Cboe to assess whether the product issuer satisfies the following key principles:

(a) the product issuer has the regulatory authorisation necessary to issue products of the type that it is proposing to issue;

(b) the product issuer has the organisational resources and competence to undertake the activities required of a product issuer;

(c) the product issuer has sufficient financial resources and prudential controls to meet the requirements of being a product issuer (e.g. having sufficient financial resources to ensure it will be able to deliver, on a future date, underlying assets or their cash equivalent);

(d) any guarantor that a product issuer is proposing to use, has sufficient financial resources and prudential controls to ensure the product issuer it has guaranteed will be able to meet its obligations in respect of any product it issued; and

(e) there are identifiable individuals at the product issuer who will take responsibility for issuance, compliance and systems issues.

3.1.3 The IAF is also intended to enable Cboe to ensure that it is aware of the type of products that will be issued by a product issuer and to assess at an early stage whether the product issuer will satisfy the requirements in respect of issuing those types of products. This should facilitate the consideration by Cboe, at a later stage, of any application to issue products.

3.2 Eligibility Criteria

3.2.1 The Rules impose three levels of eligibility criteria on a product issuer:

(a) the basic eligibility criteria in rule 14.3(a) which requires (a) adequate human, technological and financial resources in place to perform its obligations and (b) an Australian Financial Services Licence (AFSL), unless the Corporations Act does not require one in response of the applicants activities as product issuer;

(b) more detailed eligibility criteria in rules 14.3(b) and 14.3(c) that must be met for an applicant to satisfy the basic resource requirement in rule 14.3(a) – rule 14.3(c) being directed to where a product issuer will rely on the resources provided by a guarantor;

(c) more detailed eligibility criteria in rule 14.3(d) that must be met by a product issuer of investment products that require delivery of the underlying assets or cash equivalent and do
not have arrangements in place to ensure underlying assets/cash equivalent will be available for delivery to holders.

3.3 Financial Resource Requirements

3.3.1 The financial resources required to issue an investment product will depend on the nature of the product and more specifically whether the product is of a type whereby the product issuer will pose a counterparty or market risk to the holders of the product. The Rules recognise that often the financial resource requirement may be covered by the regulatory requirements imposed on a product issuer and so the IAF requires evidence of how those requirements are being fulfilled. In some circumstances a product issuer will rely upon a guarantor to meet the financial resource requirements and the PAF requires information on the guarantor in these circumstances.

3.3.2 A product that involves delivery of an underlying asset to a holder requires the product issuers to ensure that the delivery is able to take place. This may require the product issuer to maintain financial resources and/or a contractual framework that is sufficient to guarantee that it is able to procure and deliver the underlying asset or ensure that a trust arrangement or other mechanism is in place to guarantee delivery. This financial requirement is recognised in the rules which impose special requirements on product issuers that issue these types of products and do not have a trust or other arrangement in place to ensure delivery of the underlying asset to investors.

3.4 Issuers of Transferable Custody Receipts

3.4.1 The Rules and Procedures clarify that a firm seeking to issue TraCRs and that holds an Australian financial services licence authorised to undertake custodian and/or depositary services, may be approved as a product issuer under the ‘otherwise approved by Cboe’ category in rule 14.3(b)(vi).2

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2Information relating to other aspects e.g. investment management expertise may also be required and are captured in Appendix A, see attachment four - holistic checklist which may be required for funds seeking to holding 14.17(d) underlying assets.
4 ADMIITING CBOE INVESTMENT PRODUCTS TO QUOTATION

4.1 Introduction

4.1.1 This section of the Pack outlines and provides guidance on some of the key eligibility criteria that must be met before a product can be admitted to quotation. The Cboe Product Application Form (PAF - attachment two) must be completed by any product issuer seeking to have a product admitted to quotation. The form is designed to facilitate product issuers providing information within the form or in a number of annexures to the form in which the key criteria for a product being admitted to quotation will be addressed. The sections requiring completion and the annexures to be attached will vary depending on the nature of the fund (e.g. the underlying assets, proposed market making and registry models).

4.1.2 Section 1 of the PAF is called the ‘Product Summary’ and captures key details of the product the issuer is seeking to quote and can be provided to Cboe L&C to provide initial feedback on the suitability of the investment product, application of the rules and whether referral to ASIC is required.

4.1.3 This section of the Pack provides further information on the following key aspects of the product approval process:

(a) Underlying Assets - Cboe encourages innovation and is keen to work with issuers in exploring a broad range of possible underlying assets for Cboe investment products with the aim of serving the interests of end investors. The underlying assets by which an investment product may be valued or priced must, however, meet specified criteria including the following:

i. the underlying asset of a Cboe investment product must have a readily available price or value and section 4.2 discusses this requirement;

ii. the product issuer must have an appropriate valuation model for any underlying assets and their interaction and impact upon the price of the product that will be issued (this does not involve the assessment by Cboe of a derivative valuation model, for example, but rather an assessment of the transparency and clarity for investors on how the product may be valued – see section 4.3);

iii. there must be sufficient underlying assets for the investment product to operate in a fair, orderly and transparent manner at all times, including at or around expiry or any time when the underlying assets may have to be delivered under the terms of issue of the product (see section 4.4);

iv. Quoted fund products will not be admitted to quotation if they provide leveraged exposure and section 4.5 outlines what products are excluded from being granted quotation because of this;

v. Quoted managed funds, including those that are actively managed, may be granted quotation and section 4.6 provides further information on the types of funds that may come within this description;
vi. the eligibility criteria relating to investment products that reference indices (see section 4.7);

(b) Disclosure Documents - the Rules require product issuers to provide Cboe with a copy of all documents issued to potential investors so that Cboe can review those documents prior to a product being admitted to quotation: section 4.8 provides further information on what documents are caught by this obligation and the interaction of the various requirements found in the Corporations Act, ASIC relief and the Rules;

(c) Liquidity Obligations - Cboe must be satisfied, before a product is admitted to quotation, that it will be sufficiently liquid for holders to be able to exit their holdings and sections 4.9 to 4.11 provide further information on what is necessary to satisfy this requirement.

4.2 Underlying Assets - Readily Available Price or Value

4.2.1 Cboe is of the view that it is not appropriate to exhaustively list every acceptable scenario in which an underlying asset will have a readily available price or value. Rather, the most efficient process, for product issuers and end investors, is for Cboe to state the underlying principles and factors which product issuers should take into account when deciding whether a readily available price and value is available for the underlying assets they are considering. In this context, some matters that may be taken into account by Cboe when deciding whether an underlying asset has a readily available price or asset include:

(a) Is the price of the underlying asset available at a regular time on a daily basis? Some underlying assets may be traded on overseas exchanges and the fact that they are not being actively re-priced on an ongoing basis will not preclude their being traded on the Cboe market if the price is available at a regular time.

(b) What is the nature of the pricing mechanism? For example, is the pricing undertaken by a regulated entity in a supervised manner, such as that undertaken by a regulated market? The Rules also have the concept of “Reliable Pricing Framework” which is required for quoted managed funds holding underlying assets falling within rule 14.17(d).

(c) Is the price available to members of public?

(d) Will the product issuer make an indicative net asset value (iNAV) available on its web site, or any other place readily available to members of the public, on an ongoing basis through the day?

(e) How volatile is the product in between the times at which it is regularly priced?

(f) Is there an objective accuracy standard and monitoring regime in place for the mechanism?

(g) Is it clear to potential investors how the underlying price that is made available may impact on the price of the investment product?

4.2.2 For some products based on offshore assets, the pricing mechanism may be closed during Australian trading hours. This will not have itself mean that the asset does not have a readily available and transparent pricing mechanism during those times: investors will be aware of the nature of the underlying asset and the daily basis on which it is priced.
4.3 Underlying Assets – Valuation

4.3.1 When reviewing a product for admission to quotation, Cboe will consider the way in which the product will be valued by reference to the specified underlying assets. This does not mean Cboe will require or seek to conduct a peer review of any mathematical models that may be used. Rather it will mean that Cboe will require transparency and a robust framework around the way in which a product may track its underlying assets and any impact this process may have on the fair, orderly and transparent operation of the Cboe market.

4.4 Underlying Assets – Sufficient Quantity

4.4.1 The fair and orderly trading of an investment product such as a warrant will be impacted by the sufficiency of supply of underlying assets related to that product. For example:

(a) An investment product that involves the potential delivery of underlying assets will be impacted by the sufficiency of the supply of the underlying assets available for that delivery;

(b) The orderly trading of an investment product that does not involve the delivery, but that directly tracks the price, of an underlying asset may be impacted by aberrations in the sufficiency of the supply of that underlying asset.

4.4.2 These two examples are not intended to exhaustively state the circumstances in which the supply of underlying assets is a relevant consideration for Cboe when deciding whether products will be admitted to quotation, but they are intended to provide a flavour of the matters that will be considered. For those products that are warrants, Cboe will generally interpret these requirements to mean that:

(a) a mini warrant may only trade in respect of securities that are in the top 200 of the most liquid corporate names listed on the ASX; and

(b) the number of warrants that may be able to be issued may be restricted to a particular number.

4.5 Underlying Assets – Leveraged Exposure

4.5.1 Quoted funds will not be admitted to quotation on the Cboe market if the dominant purpose of the fund is to provide leveraged exposure to unit holders. In the vast majority of cases it will be apparent when a quoted fund provides leveraged exposure: the purpose of the product will be to commit a holder to an exposure that may be a multiple of an initial outlay. The rules and procedures are structured to provide assistance in identifying these cases and expressly state that warrants are not excluded from being admitted to quotation because they provide leveraged exposure: the leveraged exposure must be the dominant purpose of the derivative that makes up the underlying asset.

4.5.2 There may be edge cases where it is not apparent on the face of the quoted fund if a derivative that is an underlying asset, has the dominant purpose of providing leveraged exposure. In these cases, Cboe may take into account the following matters when deciding on a case by case basis whether a product provides leveraged exposure:

(a) how will the product perform economically and including up to and at the expiry date of any underlying derivative – matters to take into account here include the range of the economic
performance and the extent to which an investment in the product tracks any non-derivative underlying asset on a one for one or multiple basis;

(b) What does any disclosure document describe as the purpose of any derivative included in the product?

(c) if a derivative is being used as an underlying asset then is it:

i. being used in a manner consistent with the position of Cboe on specific investment products (position papers can be obtained in request);

ii. used for the dominant purpose of managing risk (e.g. foreign exchange or interest rate risk);

iii. used for the dominant purpose of more efficiently gaining an economic exposure, through the use of exchange-traded derivatives, to the underlying reference assets of those derivatives, but only on a temporary basis (i.e. less than 28 days, which cannot be extended by rolling over or replacing the derivative); or

iv. an over the counter traded derivative, and if so what is the level of the notional exposure of the product to the derivative – if it exceeds 5% of the fund’s net asset value then this may suggest that a purpose of the derivative is to provide leveraged exposure (unless the exposure is attributable to circumstances that were not reasonably foreseeable by the responsible entity, such as unforeseen market movements or large redemption requests, and the exposure is for a period of no more than three consecutive business days - note that in any event, the rules require an issuer to take corrective action if the notional exposure of the derivative exceeds 10% of the fund’s net asset value).

4.6 Underlying Assets – Fixed income (eligible portfolio) security & Eligible Crypto-Assets

4.6.1 Cboe may grant quotation to managed funds, including those that are actively managed, rules based or single asset. In particular, Cboe has recently expanded its rules on eligible underlying assets to include fixed income and crypto assets that meet the criteria specified below.

Fixed Income

4.6.2 The following fixed income products are eligible underlying assets, on the condition that they are subject to a reliable pricing framework:

(a) Investment grade debt;

(b) High yield corporate debt; and

(c) Mortgage or asset backed securities.

4.6.3 These underlying assets may only be constituents of a portfolio that, as outlined in the Rules and Procedures, is either:

(a) In a fund with proven systems and controls; or

(b) In a minority portfolio.
4.6.4 The Procedures relating to the definition of fixed income security (eligible portfolio), state that a product issuer will have proven systems and controls where, at the time Cboe considers the product application form, the product issuer has:

(a) funds that in aggregate have more than A$500m of assets under management; and

(b) one or more funds, specified in the product application form, that:

   i. hold the same assets specified in rule 14.17(d)(i) as those proposed as underlying assets in the quoted fund for which quotation is sought; and

   ii. in aggregate have more than A$100m of assets under management; and

   iii. have been in operation for over five years

4.6.5 A product issuer not meeting the minimum requirements specified above, may apply to Cboe to establish proven systems and controls by way of a holistic review. A checklist of matters that may be considered by Cboe when undertaking this holistic review is attachment four.

**Crypto-assets**

4.6.6 A crypto-asset may be an eligible underlying asset if it:

(a) has a high level of institutional support and acceptance in relation to its use for investment purposes (see further description below);

(b) would, if invested in or otherwise used by an exchange traded product to obtain economic exposure, have the support of reputable and experienced service providers (including custodians, fund administrators, market makers and index providers) as indicated by their preparedness and/or commitment to provide services in relation to that exchange traded product;

(c) has a mature spot market;

(d) has a regulated futures market for trading derivatives linked to that crypto-asset; and

(e) has a robust and transparent pricing mechanism, both throughout the trading day and to strike a net asset value price for any ETP with underlying assets linked to that crypto-asset.

4.6.7 The Operating Rules: Procedures (see Procedure: Definitions – Eligible Crypto-Asset) provide guidance on what factors Cboe may take into account in assessing whether the criteria in (a), (c) and (e) above are satisfied. In the case of determining whether a crypto-asset has a robust and transparent pricing mechanism, all the factors listed in the Procedure must be present. Issuers should engage with Cboe at an early stage to confirm whether a crypto-asset may be an eligible underlying asset of a quoted fund.

4.7 **Underlying Assets – Index Criteria**

4.7.1 The rules contain criteria that must be satisfied before a product that references an index, as an underlying asset or otherwise, will be admitted to quotation. The criteria include the methodology for the construction and rebalancing of the index and in general this will require a product issuer to
only use the indices of a provider that operates according to a set of pre-determined rules and objective criteria. The index methodology should not permit retrospective changes to previously published index values, except in order to correct errors. Prospective changes to the methodology or criteria used to calculate the index or to select its components or factors should not be made without reasonable notice being provided to users and investors or by way of supplementary disclosure documents.

4.7.2 The criteria also require transparent governance arrangements, and Cboe will take into account the following when assessing whether to quote a product that references an index:

(a) the extent to which the index valuation processes is independently undertaken, especially where the index provider and product issuer are related;

(b) the governance arrangements and levels of transparency in any disclosure documents, including governance/transparency on:

i. the selection of index constituents and composition;

ii. the calculation methodology for passive investors;

iii. the frequency and limits on re-balancing;

iv. matters that would enable an investor to replicate the index;

v. what will occur when an index is no longer representative of its intended function;

vi. The management of conflicts of interest, particularly where the index provider and product issuer are members of the same corporate group.

4.7.3 The approach of Cboe in this area will be informed by any regulatory developments that may take place concerning index governance, including any guidance from ASIC, IOSCO or other regulatory authorities.

4.8 Transferable Custody Receipts

4.8.1 Transferable custody receipts (TraCRs) are securities traded on the Cboe market that provide beneficial ownership of the underlying shares of a listed offshore company. The Rules contain the following specific eligibility criteria relating to TraCRs:

(a) the underlying shares must be traded on NYSE or Nasdaq and, unless otherwise specified in the procedures, have been so listed for at least 12 months;

(b) the terms of issue for a TraCR must satisfy the requirements in rule 14.23A(b), which include:

i. enabling a holder to convert the TraCR into a holding of the underlying shares;

ii. requiring the issuer to notify the holder of corporate actions and undertake all reasonable endeavours to give effect to a holders instructions on those matters;

iii. enabling a holder to convert a TraCR holding into cash if there is an ‘illiquidity event’, as that term is defined in the Rules;
the custody agreement relating to the holding of the underlying assets must require the custodian to:

i. have the necessary regulatory authorisations to act as the custodian;

ii. be structured in a way that manages the conflicts of interest that may arise;

iii. hold the underlying shares on trust for the holder of the TraCR;

iv. maintain appropriate records;

v. Not lend or part with the underlying assets except on the instructions of the product issuer.

4.9 Disclosure Documents

4.9.1 Cboe is conscious that product issuers are subject to significant initial disclosure requirements that must be met before an investment product can be offered to investors. These initial disclosure requirements are primarily found, for Australian issuers, in the Corporations Act and related instruments or equivalent offshore requirements for issuers located outside Australia. This section of the Pack considers the disclosure requirements that must be met for a product to be admitted to quotation. Product issuers will also be subject to ongoing disclosure requirements once an investment product is admitted to quotation, and this is discussed in section 5.1.

4.9.2 The Rules require product issuers to provide Cboe with copies of all ‘disclosure documents’ relating to a product before that product can be admitted to quotation. The term ‘disclosure documents’ is used in the Rules and Procedures to refer to the information which a product issuer is required to publish to potential investors in the product. As such an issuer is required to provide Cboe with each Product Disclosure Statement (PDS) or prospectus, and any supplementary or replacement PDS/prospectus, in respect of the Investment Product.

4.9.3 Cboe will review the disclosure documents prior to the product being admitted to quotation. As such an issuer will be required to fulfil the disclosure requirements that are imposed by the Corporations Act and any instruments made thereunder, if applicable, or by equivalent offshore requirements or in an exemption from the Corporation Act requirements.

4.9.4 A product issuer is required to include in the initial disclosure documents provided to investors for:

(a) A quoted fund or warrant, an outline of the differences between a product that is listed and one that is granted quotation;

(b) A TraCR, a clear and concise explanation of how a TraCR is different to the cash equity share that makes up the underlying asset to which it relates.

4.9.5 Unless an issuer obtains a waiver from these requirements, an investment product will not be granted quotation if this is not included in those documents.

4.9.6 Cboe is of the view that adopting a rule framework for initial disclosure documents that is largely based on the initial disclosure requirements in the Corporations Act, or other applicable legislation/instruments, has the advantage of:
(a) ensuring that whatever changes take place in the underlying legislative requirements (e.g. pursuant to court interpretations or parliamentary changes) are reproduced in the same way in the Cboe Rules on an ongoing basis;

(b) issuers relying on one set of controls and regulatory requirements;

(c) investors relying on one homogenous set of requirements and comparing like for like as much as possible;

(d) All stakeholders working towards enhancing one set of disclosure requirements as a way of improving Australia’s markets.

4.10 Liquidity Obligations – Overview

4.10.1 In order to ensure the fair and orderly trading of Cboe investment products, issuers are required to ensure there is sufficient liquidity for existing holders to exit positions. The rule framework is intended to apply this principle while (a) allowing issuers sufficient flexibility to implement measures that are suitable to the circumstances of each product and (b) enabling Cboe to take a rigorous and robust approach, when required, to ensuring investors are able to exit their holdings.

4.10.2 A product issuer must ensure the liquidity obligations contained in the rules are satisfied through one of the following measures specified in the rules:

(a) ensuring the ongoing spread of holders is adequate, reasonable and in compliance with the applicable requirements in the procedures (see section 4.11); or

(b) Ensuring liquidity is maintained through market making (see section 4.12).

4.11 Liquidity Obligations – Initial and Ongoing Spread of Holders

4.11.1 The procedures currently state that an ongoing spread of holders will not be sufficient to satisfy the liquidity requirements unless there are (a) at least 1000 separate holders and (b) a net asset value of at least $10million. Cboe will also take the following matters into account when determining whether there is an adequate spread of holders:

(a) the number of registered retail holders relative to the net asset value of the underlying assets (subject to the minimum requirements specified above);

(b) the authorised participants entitled to partake in the initial issue of securities;

(c) the likely level of investor interest in the product, based on past performance and the views of any authorised participants entitled to partake in the initial issue of the securities.

4.12 Liquidity Obligations – Rule 14.15(b)

4.12.1 Investment Products quoted on Cboe are required to ensure that there is sufficient secondary market liquidity available to enable the holder of an investment product to exit positions at a reasonable price. Issuers of Investment Products which do not satisfy the liquidity requirement with the requisite spread of holders, are required to demonstrate how sufficient liquidity will be available under one of the methods outlined in rule 14.15(b).
4.12.2 A product issuer may seek to demonstrate sufficient liquidity will be available under one of the methods in rule 14.15(b), by:

(a) Maintaining a reasonable bid and order volume by
   i. Trading itself (rule 14.15(b)(i)); or
   ii. Entering into an arrangement with a rule 4.9 registered market maker (rule 14.15(b) (ii)). There are currently no market makers registered under rule 4.9.

The liquidity requirements for reasonable bid are described in the Rules Procedures 14.15 para 3 and described further below in section 4.13.

(b) Having in place other arrangements whereby liquidity requirements (aka market making metrics) are agreed with Cboe (rule 14.15(b) (iii)). The liquidity requirements require review by Cboe L&C and approval of the Investment Products Committee (IPC).

   i. **External market making (EMM)** - By appointing a third party market maker to maintain a bid/ask spread in accordance with the liquidity requirements. Such a market maker is usually also registered under the Cboe Fee Programme where they would be referred to as a **Primary List Market Maker**. The liquidity requirements are set out on the Cboe website.

   ii. **Internal market making (IMM)** – By the fund issuer adopting the role of market maker itself on the fund’s behalf and appointing a market making agent (MMA) to enter bids and offers into the market on behalf of the fund. IMM is not eligible for fee relief under the Cboe Fee Programme.

   iii. In relation to TraCRs, other arrangements are place which ensure holders will be able to take advantage of a combination of:

   A. a right to convert, on demand and subject to the terms of issue, that holding into a holding of the underlying assets;
   B. a right, upon an illiquidity event, to cancel that holding and convert it into cash; and
   C. Liquidity provided in that investment product by a market maker registered with Cboe pursuant to Cboe Fee Programme under which and the market maker provides a reasonable bid and value order for the minimum time. These liquidity requirements are set out on the Cboe website.

4.12.3 See Table 1 below for examples. Please note that the examples listed below are not exhaustive and other arrangements may be considered where an issuer is able to demonstrate that sufficient liquidity would be available to investors.

4.12.4 In deciding whether to reach an agreement with an issuer under rule 14.15(b)(iii), CXA will consider the market making model, the appropriate market making metrics to be prescribed for that type of product (including the asset class) and where/how this ability is evidenced. Generally the issuer would be required to provide information which demonstrates an ability to provide the market making arrangements agreed to. This may include but is not limited to:

---

3Market makers registered under the Cboe Fee Programme that are not associated with satisfying liquidity obligations for Cboe quoted investment products are referred to as Supplementary List Market Makers. They may be making markets in ASX quoted or Cboe quoted symbols.
(a) Competence, systems and controls

(b) Evidence of an ability to apply/redeem

(c) Reputable third party market maker

(d) Ability to execute on Cboe

(e) Pricing control and monitoring systems in place to ensure that market making efforts are being provided as intended.

Table 1 - Market making models for satisfying liquidity requirements

<table>
<thead>
<tr>
<th>Investment Product</th>
<th>Market making model description</th>
<th>Evidence of ability</th>
<th>Market making metrics *</th>
<th>Applicable rule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warrants</td>
<td>Issuer provides own market making and wears any profit/loss from market making</td>
<td>Agreement to comply with rules found in point 1 and 2 of the IAF (page 22)</td>
<td>Set out in the Rules/Procedures</td>
<td>14.15(b)(i)</td>
</tr>
<tr>
<td></td>
<td><strong>EXTERNAL market making</strong></td>
<td><strong>Market maker deed between issuer and third party includes prescribed market making metrics</strong></td>
<td><strong>Set out in the Quoting Metrics on the website</strong></td>
<td><strong>14.15(b)(iii)</strong></td>
</tr>
<tr>
<td></td>
<td>Issuer appoints third party professional market maker, who wears any profit/loss from market making</td>
<td>NB: If adopting material portfolio information (MPI) model the deed will need to reference MPI the PDS contain disclosures re MPI</td>
<td>Bid/Ask spread and value requirement agreed with Cboe for &gt;80% of active continuous trading</td>
<td></td>
</tr>
<tr>
<td>ETFs and QMFs (baskets)</td>
<td><strong>INTERNAL market making (IMM)</strong></td>
<td>Signed letter from issuer market maker acknowledging the prescribed market making metrics, signed agreement with market making agent and appropriate arrangements including information barriers (if applicable) and PDS contain disclosures re IMM</td>
<td>As agreed with the issuer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Issuer provides own market making and the fund wears any profit/loss from market making</td>
<td></td>
<td>Bid/Ask spread and value requirement agreed with Cboe for &gt;80% of active continuous trading</td>
<td></td>
</tr>
<tr>
<td>QMFs (single asset)</td>
<td>Issuer appoints third party professional market maker, who wears any profit/loss from market making</td>
<td><strong>Market maker deed between issuer and third party includes prescribed market making metrics</strong></td>
<td><strong>Set out in the Quoting Metrics on the website</strong></td>
<td><strong>Reasonable Bid and value obligation for &gt;90% of active continuous trading</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Cboe Market Maker Fee Programme which includes the prescribed market making metrics</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TraCRs</td>
<td>Third party professional market maker signs up to the Cboe Market Maker Fee Programme, and wears any profit/loss from market making</td>
<td></td>
<td><strong>Set out in the Quoting Metrics on the website</strong></td>
<td><strong>Reasonable Bid and value obligation for &gt;90% of active continuous trading</strong></td>
</tr>
</tbody>
</table>

*See definition of active continuous trading below. Normal exceptions from the obligation to provide market making for technical difficulties, inability to hedge, where the theoretical value of the Investment Product is <0.1 cents, etc., would be expected to apply for all Investment Products.
Active continuous trading” is defined in the Rules to mean the aggregate time in which the Cboe market is in continuous trading for the investment product but excluding:

1. the period during which no firm price is available for at least 10% by value of the underlying assets of the investment product (e.g. due to a trading halt in a single stock that makes up 10% by value of the underlying assets of the investment product);
2. the first fifteen minutes of the continuous trading phase on the Cboe market;
3. the last thirteen minutes of the continuous trading phase on the Cboe market;
4. the time during which the theoretical value of the investment product is less than the minimum price step allowed for orders submitted to the Cboe market;
5. The time during which a product issuer, or a market maker with which it has entered an arrangement under rule 14.16, has experienced an operational disruption or is subject to a regulatory requirement that has prevented the product issuer and/or the market maker from submitting orders to the Cboe market.

Market making metrics may include:

(a) Ensuring that the bid or bid/ask is maintained in the market for the requisite period of time. For example:

- If the market making metrics are for maintaining a reasonable bid ensuring that the bid is maintained in the market for a requisite period of time - 90% of active continuous trading.

- If the market making metrics are for maintaining a bid/ask spread ensuring that the bid/ask is maintained in the market for a requisite period of time - 80% of active continuous trading.

(b) Ensuring that the price and volume of the bid satisfy minimum parameters.

 Liquidity Obligations – What is a Reasonable Bid?

The following are some of the matters Cboe will take into account when deciding whether an issuer has taken steps to ensure there is sufficient liquidity through arrangements for maintaining a reasonable bid:

(a) Is there an arrangement with a reputable market maker that requires the market maker to be present with a reasonable bid in the market for at least 90% of active continuous trading? Cboe will require written evidence of the arrangement and the basis upon which the market maker will be required to maintain the bid, including any incentives or sanctions for failure to comply with the reasonable bid requirements that may be in place. Cboe may also require information demonstrating pricing control and monitoring systems in place to ensure that market making efforts are being provided as intended.

*A series of TraCRs will only be granted quotation if a participant registered with Cboe pursuant to the Cboe Market Maker Fee Programme agrees to make markets in those TraCRs.*
(b) Has the issuer taken all reasonable steps to ensure that the minimum parameters* will be met:

In relation to volume:

<table>
<thead>
<tr>
<th>Bid price (A$)</th>
<th>Minimum bid value</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.05&lt;</td>
<td>≥$500</td>
</tr>
<tr>
<td>≥$0.05</td>
<td>≥$1000</td>
</tr>
</tbody>
</table>

In relation to price, if a Bid and Ask is specified then it must also:

<table>
<thead>
<tr>
<th>Bid price (A$)</th>
<th>Spread</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.10&lt;</td>
<td>Less than $0.01</td>
</tr>
<tr>
<td>≥$0.10</td>
<td>Less than 10% of the bid price</td>
</tr>
</tbody>
</table>

*If a reasonable bid and volume is maintained by a market maker pursuant to other arrangements under rule 14.15(b) (iii), the Quoting Metrics set out the minimum parameters.

(c) Has the issuer undertaken to maintain a reasonable bid itself in the market for 90% of the time? In this case Cboe will require evidence of the systems and controls that the issuer has in place to ensure that the bid is maintained in the market for the required period of time.

4.14 Liquidity Obligations – Bid-Ask Spread

4.14.1 Where the market making metrics are for maintaining a bid/ask spread, in agreeing the metrics with the issuer Cboe may consider,

(a) Consistency in pricing, e.g. where evidence is available that a consistent pricing model has been used over time, including correlation to pricing of an underlying hedge;

(b) The nature of the underlying asset, e.g. historically volatile asset classes or generally illiquid underlying;

(c) Corporate actions (including where there is uncertainty concerning the value of components of a corporate action like entitlements or transaction costs related to these);

(d) Implied market risk levels, e.g. execution & hedging risk, internal risk limits or hedge liquidity risk; and

(e) A margin to cover the costs of market making and hedging activities.

4.15 Liquidity Obligations – TraCRs

4.15.1 For TraCRs, a product issuer may seek to satisfy the liquidity requirement by ensuring that TraCR holders will be able to take advantage of a combination of the following:

(a) a right to convert, on demand and subject to the terms of issue, that holding into a holding of the underlying assets;
(b) a right, upon an illiquidity event, to cancel that holding and convert it into cash (see paragraph 4.12.8); and

(c) Liquidity provided in that investment product by a participant registered with Cboe pursuant to Cboe Market Maker Fee Programme under which the participant is allocated a market maker identifier and provides a reasonable bid and value order in accordance with the Quoting Metrics specified by Cboe on its web site.

4.15.2 An illiquidity event takes place when:

(a) A TraCR satisfies the liquidity criterion on an ongoing basis by relying partially or wholly on liquidity provided by a participant registered as a market maker under either a Cboe fee arrangement or rule 4.9; and

(b) There is no secondary market liquidity in that TraCR, pursuant to those fee arrangements or rule 4.9, for a period of twenty continuous business days.

4.15.3 The commencement of the twenty day period for an illiquidity event will occur when a trading day occurs without a trading halt in that product and the liquidity provided by a market maker does not satisfy the prescribed market making metrics for the specified minimum quoting time expressed as a percentage of active continuous trading calculated over that day.

4.16 Liquidity Obligations – Cboe Monitoring and reporting

4.16.1 Cboe has systems in place to detect when a market maker is not complying with the required market making metrics. If the lack of liquidity is triggering alerts Cboe will contact the market maker and issuer to understand the circumstances and remediation (if applicable). In the first instance this contact will generally be from the Cboe operations team, and Cboe Legal & Compliance if circumstances warrant or there is repeated non-compliance.

4.16.2 Matters taken into account by Cboe when deciding what steps, if any, may be appropriate to address the relative lack of liquidity, will include:

(a) if applicable, the time to the expiry of the investment product and the impact of price decay;

(b) the market for the underlying asset and the cost of trading in those assets to hedge any exposures generated by market making in the investment product;

(c) the historical relationship between trading in the investment product and the underlying assets, including how any changes in the price, volume and market of/for the underlying assets have impacted upon the price, volume and market of/for the investment product;

(d) any published terms and features of the investment products, including any specified leverage and delta;

(e) the appropriateness of any risk management practices relating to the activity of market making in the investment practice and trading in the underlying asset;

(f) the application of derivative pricing models to trading in the investment products/underlying asset;
(g) any events that may have a periodic impact on the market for the investment product and/or underlying asset, including corporate announcements, market volatility, wider macroeconomic factors, or market aberrations;

(h) the number and nature of holders in the investment product;

(i) the views of the Cboe compliance committee upon the trading.

4.16.3 Cboe is of the view that in most instances, product issuers and market makers will be best placed to determine the price and volume of a reasonable bid. In some circumstances determining a reasonable bid will be relatively straightforward due to the relationship between the product and the underlying asset. In other circumstances it may be more complex and require detailed mathematical modelling. However, Cboe will prioritise the interests of retail investors when taking the above matters into account and deciding what steps may be appropriate to address the relative lack of liquidity.

4.16.4 The steps that Cboe may take include:

(a) directing the product issuer under rule 14.37 to take steps to maintain liquidity in compliance with specified parameters;

(b) requiring the product issuer to outline its systems and controls in more detail and in a way that fully explains the reason for any failure to maintain liquidity as required under the rules;

(c) publishing the details of any lack of liquidity in the investment products to the market on the announcements page available on the Cboe web site;

(d) issuing a warning letter to the product issuer;

(e) revoking, imposing conditions on or suspending the quotation of the investment product in question and any other investment product by the product issuer; and

(f) revoking, imposing conditions on or suspending the registration of the product issuer.

4.16.5 Cboe will provide reporting on liquidity obligations on a regular basis (e.g. daily) to issuers and market makers.

4.17 Liquidity Obligations – Internal market making

4.17.1 Where the issuer is proposing to use an internal market making model there are additional considerations requiring information on the arrangements to be provided during onboarding.

4.17.2 Key policy considerations that will be taken into account by Cboe when reviewing the proposed internal market making (IMM) arrangements:

(a) **Genuine need**: IMM should only be allowed where there is a genuine need to protect the issuer’s intellectual property and why internal market making rather than external market making with MPI. Portfolio disclosure should be delayed only to the extent necessary to protect that IP (e.g. funds with higher portfolio turnover may disclose more often) and issuer will need to confirm what frequency of portfolio disclosure is necessary to protect the fund’s intellectual property;
(b) **Competency**: Issuer and market making agent competency to carry out their role in the IMM (e.g. track record, policies, systems and controls);

(c) **Information symmetry**: including that:
   i. the input for the market making quotes is limited to publicly available information (e.g. the iNAV, publicly available portfolio disclosures)
   ii. effective information barriers are established so bids and offers are not submitted to the market by persons or systems with knowledge of the current portfolio holdings;

4.17.3 Information will be required on how the issuer will handle substantial information asymmetries (e.g. iNAV unavailable or issuer in possession of material non-public information) or where the issuer seeks to change the parameters of its market-making operations. For example by informing the market by announcement and ceasing market making until the information asymmetry is resolved and in some cases requesting a trading halt. These issuer systems and controls for handling information asymmetry events are considered as part of the assessment of systems and controls.

(a) **iNAV**: is disseminated as frequently as practically possible, given the nature of the fund and is as accurate as possible;

(b) **Quoting metrics**: support investors transacting at a fair price and how the issuer will ensure the bid ask spread straddles the iNAV;

(c) **Additional systems and controls**: including:
   i. **Risk management**: processes are robust (e.g. how is heightened volatility/illiquidity identified and responded to)
   ii. **Contracts/Instructions**: If and how the issuer and market making agent have discretion to override standing instructions;
   iii. **iNAV**: Procedures for handling inaccurate or unavailable iNAV (e.g. ceasing market making, trading halt)
   iv. **Conflicts**: Appropriate management of conflicts
   v. **Profit/Loss**: Appropriate treatment and reporting of profit/loss
   vi. **Information asymmetry events**: (e.g. how will the issuer handle situations where substantial information asymmetries occur in the market and procedures for distinguishing between events that may require a trading halt and those that don’t).

(d) **Disclosures**: including
   i. Issuer disclosures in the PDS re risks, retention of profits etc.
   ii. Periodic disclosures disclose profits from internal market making

(e) **Corporations Act compliance**: legal opinion on the Corporations Act compliance is required.
Funds with internal market making are not eligible for fee relief under the Cboe market maker programme.

4.18 Liquidity Obligations – the Material Portfolio Information/Pricing Basket model

4.18.1 Cboe has worked with the issuers of Cboe quoted funds to develop a model of liquidity that relies upon the daily disclosure by the issuer of all material portfolio information. Some exchange quoted funds disclose every underlying asset on a daily basis, and market makers use this information to price the buy and sell orders that they post on the Cboe market. Disclosing every single underlying asset may, however, pose an unacceptable risk for some quoted funds, of disclosing their ongoing investment strategy. A model has therefore developed whereby the quoted fund and the market maker may agree on the material portfolio information (also called a pricing basket) that will be disclosed by the product issuer to enable the market maker to determine the prices at which its buys and sells units on the Cboe market, in compliance with the quoting metrics published by Cboe.

4.18.2 Under the MPI model the fund issuer will disclose:

(a) Material portfolio information/pricing basket on a daily basis

(b) An iNAV not less than every 15 seconds during the trading day. The iNAV may be calculated using the Material Portfolio Information or the full portfolio. Issuers are required to discuss with Cboe prior to quotation whether their iNAV is based on the MPI or the full portfolio. Issuers must also disclose to investors in their PDS whether the iNAV is based on the MPI or the full portfolio;

(c) Full portfolio not later than quarterly 2 months delayed.

(d) Correlation between the MPI and the full portfolio on at least a quarterly basis. The correlation is reported as tracking error - the lower the tracking error the higher the correlation between the MPI and the full portfolio.

4.18.3 The MPI/pricing basket model has an in built verification check on the accuracy of the prices generated by the pricing basket, as a market maker will still create and redeem units in the quoted fund at prices that are determined by the published net asset value (NAV) of the fund. The NAV is based on the value of every underlying asset in the Fund. This means the market maker has a strong incentive to ensure there is minimal or no difference between the price at which it buys and sells units based on the pricing basket/material portfolio information, and the price of units created or redeemed based on the net asset value of the Fund. A market maker that inaccurately prices its bid ask spreads against the NAV of the fund, also risks other investors more accurately pricing the bid ask spread and quoting inside the spread of the market maker.

4.18.4 There is a risk to transacting investors that unit prices determined by the material portfolio information during the trading day will not accurately represent the Fund’s value. This risk could arise due to, for example, market volatility or stale prices in the underlying assets. Cboe and the fund issuer will therefore monitor the tracking performance of the bid-ask prices, determined by the pricing basket, against the net asset value of the fund.
5 ONGOING DISCLOSURE REQUIREMENTS

5.1 The Structure and Key Features of the Ongoing Disclosure Rules

5.1.1 The Rules contain disclosure requirements that product issuers must continue to meet after a product is admitted to quotation. As is outlined in the Procedures, the ongoing disclosure Rules are structured so that:

(a) a general overarching requirement in rule 14.28 requires a product issuer to provide Cboe with the information it is required to disclose in relation to a quoted investment product, under the Corporations Act or other applicable offshore requirement;

(b) a more specific continuous disclosure requirement in rule 14.29 requires product issuers to ensure that any information that may impact on the decision of a reasonable investor to invest in or dispose of an investment product, is provided to Cboe and is disclosed on a continuous basis;

(c) a more specific periodic disclosure requirement is imposed by rule 14.30 to ensure that a base line of fundamentally important information is regularly provided to Cboe and disclosed at the times specified.

5.1.2 The Rules governing ongoing disclosure are based on the same principles as those applying to the initial disclosure requirements: the Rules require product issuers to meet the ongoing disclosure requirements imposed by other statutory and regulatory provisions. As such the main ongoing disclosure requirements for product issuers will exist in the Corporations Act and/or instruments of relief and/or applicable offshore regulatory requirements. Examples of applicable offshore regulatory requirements include those contained in the offshore equivalent of the Corporations Act and those regulatory requirements listed in section 323DA of the Corporations Act. Product issuers are required to comply with these other regulatory requirements in order to ensure they are in compliance with the Rules.

5.1.3 The following are some of the key features of the ongoing disclosure requirements in the Rules:

(a) the continuous disclosure of information necessary to invest in investment products that are valued or priced by reference to an underlying asset, will often be contained in the continuous disclosures made in relation to that underlying asset. Hence the importance of the rules mentioned above in relation to underlying assets having a readily available price or value.

(b) there are some key continuous and periodic disclosures that are very important for investors and so are expressly set out in the Rules (14.29 and 14.30 respectively), even though they may also be covered by the overarching disclosure rule (14.28).

(c) the Rules contain a single overarching continuous disclosure rule to ensure a common benchmark for all Cboe investment products.

(d) there are ongoing disclosure requirements contained in the Corporations Act, and the Rules incorporate these requirements.
5.1.4 The ongoing disclosure rules are based upon the need for a reasonable investor to be able to obtain the information necessary to make a decision on whether to invest in an investment product. The need for a reasonable investor to have this information also underpins the various Corporations Act continuous disclosure obligations.

5.2 The Disclosure Framework for TraCRs

5.2.1 The Cboe disclosure framework for TraCRs addresses the issues raised by the unsponsored nature of TraCRs: the primary continuous disclosure obligations on a TraCR issuer will be those relating to the TraCR itself, rather than any information concerning the underlying asset on which the TraCR is based. The Cboe disclosure framework addresses these issues by:

(a) providing, on the designated Cboe website, www.cboe.com.au/tracrs, a consolidated source of information relating to the underlying shares on which TraCRs are based, including disclosures by the companies on which TraCRs are based; and

(b) monitoring the impact on trading in a TraCR, including the prices at which market makers are quoting the bid-ask spread, of published price sensitive information relating to the underlying shares.

5.3 The Disclosure Framework for TraCRs - Disclosures by the Underlying Companies

5.3.1 The issuers of the underlying shares on which TraCRs are based are required by Securities and Exchange Commission (SEC) regulations to file annual Form 10-Ks and Quarterly Form 8-Ks which contain financial information, business developments and management discussion and analysis. The Form 8-K is also required for a range of other items, including any information that may be material for investors. There is no guidance on what is material. Instead a history of case law and enforcement action has led to determinations of what information is required. Issuers have 4 days to file through Electronic Data Gathering Analysis and Retrieval System (EDGAR) unless their filing relates to Regulation Fair Disclosure (FD), which requires an issuer to publicly disclose material information that is going to be disclosed to a smaller party such as an analyst.

5.3.2 The timing of the required public disclosure under Regulation FD depends on whether the selective disclosure is intentional or non-intentional: for an intentional selective disclosure, the issuer must make public disclosure simultaneously; for a non-intentional disclosure, the issuer must make public disclosure promptly. Under the regulation, the required public disclosure may be made by filing or furnishing a Form 8-K, or by another method or combination of methods that is reasonably designed to effect broad, non-exclusionary distribution of the information to the public.

5.3.3 NYSE and NASDAQ rules require companies to make prompt disclosure of material news to the public through any Regulation FD compliant method (or combination of methods) of disclosure. The rules expressly allow for a delayed release to ensure a coordinated and broad public release of the news. For example, it is stated in NYSE’s rule 202.06:

The spirit of the immediate release policy is not considered to be violated on weekends where a “Hold for Sunday or Monday A.M.’s” is used to obtain a broad public release of the news. This procedure facilitates the combination of a press release with a mailing to shareholders.

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5See https://www.sec.gov/answers/form8k.htm
5.4 **The Disclosure Framework for TraCRs – The TraCRs Web Site**

5.4.1 The designated Cboe TraCR web site will publish two key information sets:

(a) Information on the TraCR;

(b) Information on the underlying security of the TraCR.

5.4.2 Within these domains Cboe has assessed the various information sources with respect to the core attributes of accuracy, timeliness and comprehensiveness. As a result of this assessment and the data acquisition process, Cboe is confident that it will obtain a comprehensive data set that will at least match that provided by the NYSE and NASDAQ exchanges in respect of the underlying securities.

5.4.3 The web site architecture differentiates between golden source data that, as a rule, ranks highly on these attributes, and general news information, which may not. The data will include:

5.4.4 The Cboe web site disclosures include the following real/near real time information:

<table>
<thead>
<tr>
<th>About a TraCR:</th>
<th>About the underlying security:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) prices: last, percentage change, volume;</td>
<td>(a) last traded prices;</td>
</tr>
<tr>
<td>(b) last traded price (AUD) (last traded price of the underlying x forex rate);</td>
<td>(b) SEC Filings;</td>
</tr>
<tr>
<td>(c) issuer announcements, including corporate actions;</td>
<td>(c) historical corporate actions (Dividends, Splits) (End of day);</td>
</tr>
<tr>
<td>(d) the product disclosure statement released by an issuer;</td>
<td>(d) earnings calendar, forward looking earning date announcements and meetings (End of day);</td>
</tr>
<tr>
<td>(e) The earnings calendar of the underlying securities.</td>
<td>(e) Deep links to security prices, announcements and news on their home exchange.</td>
</tr>
</tbody>
</table>

For example

![TraCR on APPL(TCXAAPL)](image)

**Basis Of Quotation**

<table>
<thead>
<tr>
<th>Ex Distribution Date</th>
<th>Record Date</th>
<th>Payment Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-02-14</td>
<td>2017-02-15</td>
<td>2017-02-28</td>
</tr>
</tbody>
</table>

![Apple Inc.](image)

Next Earnings Call is on Apr 25, 2017


Note that previous versions referenced TRK as a data provider but the model has evolved so that TRKD is providing data for the Operations team in relation to its monitoring function.
### Issuer Announcements

<table>
<thead>
<tr>
<th>DATE</th>
<th>TRACR</th>
<th>ISSUER</th>
<th>ANNOUNCEMENT</th>
<th>PP</th>
<th>LINK</th>
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<tr>
<td>2017-02-14</td>
<td>TCAAPL</td>
<td>CWA</td>
<td>Ft TRACR dividend announcements - draft</td>
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<td>2017-03-13</td>
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<td>2017-01-09</td>
<td>093513</td>
<td>TRA</td>
<td>TnCR Announcement Testing 1</td>
<td>10</td>
<td>PDF</td>
</tr>
</tbody>
</table>

### SEC Filings, Corporate Actions, News, Historical Prices

### Useful Links
6 TRADING HALTS, SUSPENSIONS AND TERMINATIONS

6.1.1 The protection of the interests of investors is the key priority for Cboe when supervising Investment Products admitted to quotation on Cboe Investment Product Platform (IPP). This key priority will inform and shape the approach of Cboe to trading halts, suspensions and product terminations. In many cases the terms of issue of a product will outline when halts and terminations may take place. However it is not possible for anyone to exhaustively foresee the different circumstances that may befall an investment product and accordingly there may be occasions when Cboe is required to consider whether a trading halt or product termination should take place. Cboe will consider the following non-exhaustive factors when it is required to exercise its discretion and implement a trading halt or terminate the quotation of an investment product:

(a) the primacy of the interest of investors;
(b) the importance of investors being able to enter/exit positions;
(c) the importance of all potential and actual investors trading on the basis of equal access to price sensitive information;
(d) the importance of investment products trading in accordance with the terms of issue;
(e) the extent to which an investment product may no longer be priced or valued in the same way as outlined or implied in any relevant disclosure document.

6.1.2 In the case of TraCRs, Cboe has stated that it will place a TraCR into a trading halt or suspension if the underlying asset of the TraCR is suspended from trading on the listing market for reasons other than a technical issue in the systems of that market. Cboe will consider on a case by case basis whether published information, (for example, information relating to the relevant underlying asset), requires a TraCR to be placed into a temporary trading halt to enable the dissemination of that information on the Cboe web site where it will be accessible to all investors. The TraCR web site will clearly display any such trading halt.

6.1.3 Circumstances in which Cboe may be required to consider whether a trading halt is required include:

(a) In the case of funds using an internal market making model, where there is significant information asymmetry (e.g. issuer becomes aware it is in possession of material non-public information) or the iNAV is unavailable or inaccurate for example due to technical malfunction or if the issuer is seeking to change the parameters of the market-making operations during trading hours. It will be considered on a case by case basis whether the issuer informs the market by announcement and ceases market making until the matter is resolved or in some cases the issuer and Cboe may form the view a trading halt is in the best interests of unit holders, taking into account the type of event and how long it may take to be resolved;

(b) In the case of funds using a material portfolio information model, where the issuer becomes aware of material information that has not been disclosed as MPI and would have a material effect on prices and give rise to a false market.
7 CLASS ORDERS

7.1.1 Over time a significant library of class orders and wider ASIC relief from requirements in the Corporations Act, has developed in relation to investment products. These orders are the domain of ASIC. **Attachment Three** contains a list of class orders that have been issued by ASIC and that may be relevant for Investment Product issuers to consider. At a high level, class order relief is available in the following areas:

- **Margin lending:** Product issuers that have issued products embedding debt facilities may not have to comply with margin lending requirements;

- **PDS requirements:** Retail investors acquiring investment products in the secondary market may not need to be issued with a PDS or prospectus before they acquire the product;

- **Settlement products:** Cboe investment products will be subject to regulations specifying that they are able to be settled in CHESS;

- **Market making:** Registered market makers may be entitled to short sale relief in the underlying assets;

- **Equal treatment:** In some specified cases, product issuers may be exempt from Corporations Act requirements to treat all product holders equally – for example where the product is distributed through authorised participants.

7.1.2 For some investment products, bespoke class order relief may be required for a particular product issuer. This is what has occurred in relation to the product issuer of TraCRs – see instrument 17/0995 at [http://download.asic.gov.au/media/4576457/a56_17.pdf](http://download.asic.gov.au/media/4576457/a56_17.pdf).
ATTACHMENT ONE – ISSUER APPLICATION FORM (IAF)

Issuer Application Form

(IAF)

Version 2.1

Cboe Australia Pty Ltd
ABN 47 129 584 667
How to apply

This form is for use by entities seeking registration as a product issuer on the Cboe Investment Products Market operated by Cboe Australia Pty Ltd (Cboe) ABN 47 129 584 667.

There are a number of documents required to be annexed to this application form for registration as a product issuer. Some Annexures may consist of several documents, with annexures being segmented by subject matter that links those documents. Applicants are therefore requested to adhere to the prescribed annexure numbering.

Applicant's full name and ACN/ABN if applicable: _______________________________________________________

Principal contact concerning application: ________________________________________________________________

Phone number: ______________________________________________________________________________________

Email address: ______________________________________________________________________________________

Address: __________________________________________________________________________________________

Date: ______________________________________________________________________________________________

Applicants are advised to contact Cboe in advance of submitting their application:
Tel:  +61 2 8078 1700
email:  au.info@cboe.com

Completed applications should be returned to:
Cboe Australia
Investment Products Team
Level 23 Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Email:  au.info@cboe.com
As part of this application and in the course of participation in the Cboe market, Cboe requires you to submit personal information about your employees and officers. Cboe will collect, retain and process any personal information that you provide in accordance with the Privacy Act 1988 (Cth) and Cboe’s privacy policy.

Cboe will keep personal information secure and use it for the purposes of administering, implementing, delivering, supporting, improving and marketing Cboe products, services and data. You agree to obtain and provide all necessary consents and that personal information may be disclosed:

   (a) where that disclosure is permitted by, and made in accordance with, the Cboe Rules;
   (b) to the Australian Securities and Investments Commission, the Reserve Bank of Australia, any other regulatory authority and any of their respective delegates; and
   (c) where that disclosure is required to comply with any legal, statutory or regulatory requirement.

Failure to provide personal information in whole or part may hinder your participation and Cboe’s administration and operation of the market. Cboe’s Privacy Policy is available on the website www.cboe.com.au and you may request a copy and access to your personal information by contacting Cboe Compliance on:

- Tel: +61 2 8078 1718
- Email: au.compliance@cboe.com
Applicant Agreement

By executing this application form an applicant:

1. acknowledges that this application is subject to the Cboe Operating Rules (Rules), as varied from time to time, and that if the application is accepted the applicant will be bound by the Rules;

2. undertakes that if registered as a product issuer, it will comply with the Rules as in force from time to time, even if the applicant’s registration is suspended;

3. represents and warrants to Cboe that the:
   (a) applicant understands its obligations under the Rules, the ASIC Market Integrity Rules (Securities Market), Chapters 6 and 7 of the Corporations Act and any regulations made under Chapters 6 and 7; and
   (b) information contained in and annexed to this application form is true and correct in all respects;

4. acknowledges that Cboe will rely on the information provided by the applicant in considering this application and acknowledges that any omission or misstatement may lead to the rejection of the application or, if the application is approved, subsequent suspension and/or revocation of the applicant’s status as a product issuer;

5. indemnifies Cboe and its employees and officers to the fullest extent permitted by law in respect of any loss, claim, action or expense arising from or connected with, any breach of this agreement by the applicant or resulting from reliance on the information contained in or annexed to this application to the extent that such loss, claim, action or expense has not resulted from the fraud, wilful misconduct or gross negligence of Cboe or its employees and officers;

6. waives any rights, title, interests, privileges, advantages, powers or benefits that may accrue in relation to the information submitted in, or pursuant to, this application, and consents to Cboe obtaining information from, and passing information to (a) credit agencies in relation to the applicant and acknowledges that this application authorises such a source to release information to Cboe; (b) investigative agencies or any other source as permitted by law, in relation to the applicant or this application and that Cboe considers relevant to this application; and (c) government agencies, regulatory authorities, exchanges, market operators, clearing and settlement facilities, service providers and third party clearers for regulatory purposes or as is necessary for, or pursuant to, this application;

7. represents and warrants to Cboe (as the case may be) that it is not aware of anything that may impact on its ability to comply with its obligations under the Rules and its Australian financial services licence (AFSL) or exemption (as applicable).

EXECUTED for and on behalf of [name of applicant] by:

<table>
<thead>
<tr>
<th>Signature of director</th>
<th>Signature of director/secretary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Name</td>
</tr>
<tr>
<td>Dated</td>
<td>Dated</td>
</tr>
</tbody>
</table>
The information set out below should be included where the form permits or be included in the appropriate annexure referred to in the relevant part below. Importantly, please:
- refer to the Cboe Operating Rules and the Procedures before completing an application;
- submit this form in WORD version for Cboe to complete its CHECKS prior to submitting a signed version;
- adhere to the prescribed annexure numbering.

<table>
<thead>
<tr>
<th>i.</th>
<th>APPLICANT DETAILS</th>
</tr>
</thead>
</table>
| 1.1 | Please provide full details of:  
(i) the name of the applicant;  
(ii) the principal place at which the business of the applicant is, or will be carried on;  
(iii) full address of all other places at which the business of the applicant is, or will be carried on. |
| 1.2 | Does the applicant intend using a business name? Yes □ No □  
*If yes, please include details of all business names and state whether or not they are registered in all States & Territories.* |
| 1.3 | Please provide the following details in respect of the applicant:  
(i) place and date of incorporation/registration;  
(ii) ABN/ACN  
(iii) Registered office address |
| 1.4 | Please provide details of each director and secretary of the applicant. |
| 1.5 | Please provide:  
(i) the name of the parent company and brief description of its operations  
(ii) in ANNEXURE IAF-L a corporate structure diagram showing all related bodies corporate (see the definition in section 50 of the Corporations Act) and entities exercising control (see the definition in section 50AA of the Corporations Act) of the applicant. Attached □ |
| 1.6 | Please provide in ANNEXURE IAF-M an organisation chart showing management structure, including key executives, responsible Attached □ |
### ii. PRINCIPAL BUSINESS ACTIVITY

2.1 Describe the nature of the principal business, or intended principal business of the applicant, including countries it operates in, number of employees, types of products offered.

The description provided should be consistent with any description submitted to ASIC as part of an application for an Australian Financial Services Licence (AFSL), or alternatively explain the differences in the description provided to ASIC and the description submitted with this application.

2.2 Please outline in relation to the applicant’s issuance business

(i) AUM

(ii) Number of existing funds and investors (Australia/offshore, listed/unlisted, asset type, passive/active management)

(iii) Where investment products are developed, including who has responsibility for valuation and pricing models;

(iv) Which entity is responsible for the issue of investment products and associated services (eg product drafting and distribution);

(v) How investment products are administered and serviced after quotation.

### iii. LICENSING INFORMATION

3.1 In relation to all financial services necessary to carry on its business as a Cboe issuer, the applicant:

- [ ] holds an AFSL which authorises the applicant to carry on the business it intends to conduct as an issuer of investment products on the Cboe market and in the case of a product issuer of TraCRs which authorises it to undertake custodian and/or depositary activities – Please include in ANNEXURE IAF-A, a copy of the AFSL

- [ ] has applied for AFSL variation – Please include in ANNEXURE IAF-A, a copy of the AFSL variation

- [ ] has an exemption granted by ASIC from the requirement to hold an AFSL – Please include in ANNEXURE IAF-A, a copy of the exemption

- [ ] has applied for an AFSL exemption – Please include in ANNEXURE IAF-A, a copy of the application and advise on the status of the application

37
☐ does not require an AFSL – *Please include in ANNEXURE IAF-A, reasons and appropriate documentation to support the case that an AFSL is not required. The Legal Opinion attached to the Product Application Form will also need to confirm that an AFSL is not required.*

### 3.2

Please provide **ANNEXURE IAF-A** including the details as required in 3.1  
Attached ☐

### iv. ORGANISATIONAL COMPETENCE / EQUIVALENT DOCUMENTATION

<p>| | |</p>
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| **4.1** | Please provide **(ANNEXURE IAF-B)** an up to date Table of Organisational Competence/Equivalent Document containing summaries of the investment products experience and expertise of:  
(i) the board directors  
(ii) responsible managers and, if different, responsible executives;  
(iii) senior managers responsible for investment products, including those managers responsible for the issuing, sales, monitoring, trading, valuing, redemption and/or termination of those products.  
**Attached ☐** |
| **4.2** | If this IAF is being completed without an accompanying PAF and the issuer has an understanding of the products it is seeking to issue, please complete the Product Summary section of the PAF for each product the applicant intends to issue. **(ANNEXURE IAF-C)**  
**Attached ☐** |
| **4.3** | Please provide **(ANNEXURE IAF-D)** details of the systems and controls that will be used for the issuance, monitoring, valuation and redemption of proposed products.  
**Attached ☐** |
| **4.4** | Please provide **(ANNEXURE IAF-D)** details of the systems and controls in place at the applicant in respect of any sales functions undertaken by the applicant, or another entity within the same corporate group, of products.  
**Attached ☐** |

### v. FINANCIAL POSITION

<p>| | |</p>
<table>
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| **5.1** | If the applicant is a regulated entity then please confirm the basis on which it is prudentially regulated and provide evidence that the firm is in compliance with its capital obligations **(ANNEXURE IAF-E).**  
**Attached ☐ N/A ☐**  
*If N/A, please describe here why* |
| **5.2** | If the applicant holds an AFSL, then please provide the most recent audit confirmation of compliance with the financial requirements under the AFSL conditions **(ANNEXURE IAF-E).**  
**Attached ☐ N/A ☐**  
*If N/A, please describe here why* |
| **5.3** | Please provide any third party credit rating concerning the applicant and/or a proposed/actual guarantor **(ANNEXURE IAF-E).**  
**Attached ☐ N/A ☐**  
*If N/A, please describe here why* |
| **5.4** | Please outline **(ANNEXURE IAF-E)** how the financial position of the applicant is sufficient to manage the maximum possible exposure of the applicant to the holders of products it intends to issue.  
**Attached ☐ N/A ☐**  
*If N/A, please describe here why* |
### TECHNOLOGY RESOURCES

6.1 Please specify (ANNEXURE IAF-I)

(i) the application(s) (both proprietary & vendor) that the applicant will use to develop, monitor and administer the products granted quotation on Cboe.

(ii) a systems flowchart outlining the integration of any systems that are used.

Attached □

### PRINCIPAL CONTACTS: AUTHORISED EXECUTIVES

7.1 Please nominate authorised executives in respect of the functions identified below. Please include at least one or more alternates:

<table>
<thead>
<tr>
<th>FUNCTION: PRODUCT ISSUANCE</th>
<th>Authorised Executive</th>
<th>Alternate/s</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAME</td>
<td>POSITION</td>
<td>PHONE</td>
</tr>
<tr>
<td>NAME</td>
<td>POSITION</td>
<td>PHONE</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUNCTION: COMPLIANCE</th>
<th>Authorised Executive</th>
<th>Alternate/s</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAME</td>
<td>POSITION</td>
<td>PHONE</td>
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<tr>
<td>NAME</td>
<td>POSITION</td>
<td>PHONE</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>FUNCTION: PRODUCT ADMINISTRATION</th>
<th>Authorised Executive</th>
<th>Alternate/s</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAME</td>
<td>POSITION</td>
<td>PHONE</td>
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<tr>
<td>NAME</td>
<td>POSITION</td>
<td>PHONE</td>
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</tbody>
</table>

Cboe Market Operations may contact the people nominated above concerning the product issuer’s dealings with Cboe on a day to day basis and it is acknowledged that Cboe may act on the instructions and otherwise rely on information provided by any authorised executive notified to Cboe. This would include without limitation, acting on any request by the authorised executive to halt trading in a product, the cancellation of transactions, changes to system configuration, market making, etc. Cboe may accept instructions from authorised executives in a form acceptable to Cboe in the circumstances.

The applicant must ensure that details of these authorised executives are kept up to date in accordance with the Rules.

### OTHER REGULATORY ARRANGEMENTS

8.1 Is the applicant or an associate of the applicant an existing issuer of products traded on a licenced Australian market?

If YES, please attach full details (ANNEXURE IAF-J). If the applicant is the same entity as an issuer of products traded on the ASX, please provide details of any unique ISIN codes issued by ASX in respect of the products issued.

Yes □   No □

If yes, Attached □

8.2 Is the applicant a member (or equivalent) of any other financial market (including ATS, MTF, PTS) and/or clearing and settlement facility?

If YES, please attach full details (ANNEXURE IAF-J).

Yes □   No □

If yes, Attached □
## ix. RELATED PARTICIPANTS

9.1 Please state whether any of the following apply:

(i) is any officer or employee of the applicant also an officer or employee of a Cboe participant (other than the applicant itself)?

| Yes ☐ | No ☐ |

(ii) is the applicant a related body corporate of a Cboe participant?

| Yes ☐ | No ☐ |

(iii) does the applicant share common premises with, or allow its premises to be accessed by, another Cboe participant or its officers or employees?

| Yes ☐ | No ☐ |

(iv) does the applicant share common computer facilities with, or link its computer facilities to, another participant?

| Yes ☐ | No ☐ |

If the answer to any of paragraphs (i) to (iv) above, is YES, please attach relevant particulars (ANNEXURE IAF-K), including any proposals for managing the conflicts of interest that may arise.

## x. DOCUMENT CHECKLIST

Please attach as Annexure:

| IAF-A | AFSL, variation, exemption or other licensing details (Annexure IAF-A); | Attached ☐ | N/A ☐ |
| IAF-B | Organisational competence (Annexure IAF-B); | Attached ☐ | N/A ☐ |
| IAF-C | Product details (Annexure IAF-C); | Attached ☐ | N/A ☐ |
| IAF-D | Systems and controls (Annexure IAF-D); | Attached ☐ | N/A ☐ |
| IAF-E | Financial Position (Annexure IAF-E); | Attached ☐ | N/A ☐ |
| IAF-I | Technology resources (Annexure IAF-I); | Attached ☐ | N/A ☐ |
| IAF-J | Details of other listed products or memberships (Annexure IAF-J). | Attached ☐ | N/A ☐ |
| IAF-K | Related participant conflicts management details (Annexure IAF-K) | Attached ☐ | N/A ☐ |
| IAF-L | A corporate structure diagram showing all related bodies corporate (Annexure IAF-L) | Attached ☐ | N/A ☐ |
| IAF-M | An organisational chart showing management structure (Annexure IAF-M) | Attached ☐ | N/A ☐ |
| IAF-… | [Please insert additional annexures] | |

## xi. PUBLICITY

*Cboe is the exclusive licensee of the Cboe and TraCR trade marks in Australia and reserves all rights with respect to the same except those expressly licensed to a product issuer.*
### 11.1 Do you agree to Cboe identifying the applicant as a registered issuer of products on the Cboe market, linking to the applicants website and using the applicant’s logo in Cboe publicity and marketing materials (including on its website) for this purpose?

If YES, please email a copy of the logo to au.marketing@cboe.com in jpeg format if you consent to this taking place.

| Yes ☐ | No ☐ |

Once your application to become a registered product issuer is accepted by Cboe, for the duration of your participation as a product issuer on the Cboe market, Cboe grants you a limited, non-exclusive, royalty free, non-transferable licence to use the “Cboe” name and logo and, for product issuers of TraCRs only, the “TRACR” name and logo (collectively the “Trade Marks”) only in relation to the issue and promotion of your investment products quoted on the Cboe market. Your licence to use the Trade Marks is solely for the purpose of issuing and promoting the investment products quoted on the Cboe market including (but not limited to) the display of the trade marks on:

1. Product Disclosure Statements; and  

Your use of the Trade Marks must be in accordance with Cboe brand and style guidelines and such other requirements notified by Cboe, from time to time. Other than in accordance with this licence, you will not, nor assist any related or third party to, use or register any domain name, business name, company name or trade mark that is substantially identical with or deceptively similar to the Trade Marks in any country.

Please email [au.marketing@cboe.com](mailto:au.marketing@cboe.com) to provide details on how the Trade Marks are proposed to be used. Any materials which use the Cboe or TraCRs logos must be submitted to Cboe for approval prior to circulation or publication. You must comply with any directions provided by Cboe in relation to your use of the Trade Marks.

---

**-END-**
Product Application Form

(PAF)

Version 2.2

Cboe Australia Pty Ltd
ABN 47 129 584 667
How to apply

This form is for use by a registered Product Issuer seeking Cboe approval for a new product to be granted quotation on the Cboe market.

There are a number of documents required to be annexed to this application form for registration as a product issuer. Applicants are therefore requested to adhere to the prescribed annexure numbering.

Applicant’s name: __________________________________________

Principal contact concerning application: __________________________

Phone number: _______________________________________________

Email address: ________________________________________________

Address: _____________________________________________________

Date: _________________________________________________________

Applicants are advised to contact Cboe in advance of submitting their application:
Tel: +61 2 8078 1700
email: au.info@cboe.com

Completed applications should be returned to:
Cboe Australia
Investment Products Team
Level 23 Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Email: au.info@cboe.com
As part of this application and in the course of participation in the Cboe market, Cboe may require you to submit personal information about your employees and officers. Cboe will collect, retain and process any personal information that you provide in accordance with the Privacy Act 1988 (Cth) and Cboe’s privacy policy.

Cboe will keep personal information secure and use it for the purposes of administering, implementing, delivering, supporting, improving and marketing Cboe products, services and data. You agree to obtain and provide all necessary consents and that personal information may be disclosed:

(i) where that disclosure is permitted by, and made in accordance with, the Cboe Rules;

(ii) to the Australian Securities and Investments Commission, the Reserve Bank of Australia, any other regulatory authority and any of their respective delegates; and

(iii) where that disclosure is required to comply with any legal, statutory or regulatory requirement.

Failure to provide personal information in whole or part may hinder your participation and Cboe’s administration and operation of the market. Cboe’s Privacy Policy is available on the website www.cboe.com.au and you may request a copy and access to your personal information by contacting Cboe Compliance on:

- Tel: +61 2 8078 1718 or
- Email: au.compliance@cboe.com
Applicant Agreement

By executing this application form an applicant:

1. acknowledges that this application is subject to the Cboe Operating Rules (Rules), as varied from time to time, and that if the application is accepted the applicant will be bound by the Rules;

2. undertakes that if the product is granted quotation, both the product and the applicant will comply with the applicable Rules in force from time to time, even if the applicant’s registration and/or trading in the product is suspended;

3. represents and warrants to Cboe that the:
   (a) applicant understands its obligations under the Rules, the ASIC Market Integrity Rules (Securities Market), Chapters 6 and 7 of the Corporations Act and any regulations made under Chapters 6 and 7; and
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4. acknowledges that Cboe will rely on the information provided by the applicant in considering this application and acknowledges that any omission or misstatement may lead to rejection of the application or, if the application is approved, subsequent suspension in the quotation of the product and/or revocation of the applicant’s status as a product issuer;

5. indemnifies Cboe and its employees and officers to the fullest extent permitted by law in respect of any loss, claim, action or expense arising from or connected with, any breach of this agreement by the applicant or resulting from reliance on the information contained in or annexed to this application to the extent that such loss, claim, action or expense has not resulted from the fraud, wilful misconduct or gross negligence of Cboe or its employees and officers;

6. waives any rights, title, interests, privileges, advantages, powers or benefits that may accrue in relation to the information submitted in, or pursuant to, this application, and consents to Cboe obtaining information from, and passing information to (a) credit agencies in relation to the applicant and acknowledges that this application authorises such a source to release information to Cboe; (b) investigative agencies or any other source as permitted by law, in relation to the applicant or this application and that Cboe considers relevant to this application, and acknowledges that this application authorises such a source to release information to Cboe; and (c) government agencies, regulatory authorities, exchanges, market operators, clearing and settlement facilities, service providers and third party clearers for regulatory purposes or as is necessary for, or pursuant to, this application;

7. represents and warrants to Cboe (as the case may be) that it is not aware of anything that may impact on its ability to comply with its obligations under the Rules and its Australian Financial Services Licence (AFSL) or exemption (as applicable).

EXECUTED for and on behalf of [name of applicant]
by:

__________________________  ____________________________
Signature of director        Signature of director/secretary

__________________________  ____________________________
Name                      Name

__________________________  ____________________________
Dated                     Dated
### Product Information

The information set out below should be included where the form permits or be included in the appropriate annexure referred to in the relevant part below. Importantly, please
- refer to the Cboe Operating Rules and the Procedures before completing an application.
- submit this form in WORD version for Cboe to complete its CHECKS prior to submitting a signed version
- adhere to the prescribed annexure numbering.

<table>
<thead>
<tr>
<th>Section</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. PRODUCT SUMMARY - Funds</strong></td>
<td>Please ensure the corresponding sections of the Issuer Application Form (IAF) and Product Application Form (PAF) are completed as required</td>
</tr>
<tr>
<td><strong>1.1 ISSUER AND ANTECEDENTS</strong></td>
<td></td>
</tr>
<tr>
<td>(a) Issuer full legal name</td>
<td>Please complete full details in IAF and s8 Clearing &amp; Settlement below</td>
</tr>
</tbody>
</table>
| (b) Is this the first exchange traded product to be issued by this issuer  
- in Australia?  
- on Cboe?  
- with these features?  
Please tick all boxes that apply | Please describe issuer's AUM, countries it operates in and number of existing funds. |
| (c) Does this product have features not previously used by any exchange traded funds (whether issued by the issuer or another issuer in Australia)?  
Yes/No  
If yes, please describe the new features | |
| (d) Are there existing similar funds (identify if Australia/offshore exchange traded/unlisted)  
Yes/No  
If yes, please list the funds | |
| (e) Is this an existing unlisted fund seeking to be quoted on exchange  
(whether under a direct OTC creation/redemption model or otherwise)?  
Yes/No  
If yes, please provide details below  
Fund name  
Link to existing PDS  
Fund inception  
Fund size (AUM)  
No. of holders | |
| (f) Is an investment manager appointed?  
Yes/No  
If yes, [Name and if signed]  
Please attach as Annexure K a copy of the agreement and a description of the investment manager’s principal business (countries, staff, types of funds, competency and experience relevant to the proposed product) | |
| (g) Is the issuer already registered by Cboe as a Product Issuer?  
Yes/No  
If no, please submit an IAF. If yes, please confirm:  
The issuer continues to satisfy Rules 14.3 and 14.4 as outlined in its previously submitted IAF  
The issuer has notified Cboe of any material changes as required under Rule 14.6 | Yes/No Yes/No |
Please describe any material changes (e.g. change to principal business activity, AFSL, resourcing etc)?

### 1.2 PRODUCT

<table>
<thead>
<tr>
<th>Proposed fund name</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Preferred Code</td>
<td></td>
</tr>
<tr>
<td>Target launch</td>
<td></td>
</tr>
<tr>
<td>Website where the information on the proposed fund will appear</td>
<td></td>
</tr>
<tr>
<td>Investment objective and strategy</td>
<td>The investment mandate referring to this objective and strategy is set out in the PDS, please refer to section/page .....</td>
</tr>
</tbody>
</table>

**Is the fund an Australian registered MIS?**

Yes/No

If no, please describe

- **Exchange Traded Fund (ETF)**
  - Relying on an index provided by a related party of the issuer: Yes/No
  - Relying on an index provided by an unaudited index administrator: Yes/No
  - Passive index tracking fund using a strategy other than full physical replication or optimised physical replication: Yes/No

- **Quoted Managed Fund (QMF)**
  - Actively managed: Yes/No
  - Rules based: Yes/No
  - Single asset: Yes/No

**Is the fund expected to be classified as ‘synthetic’ under ASIC Info Sheet 230**

Yes/No

*NB: Please also refer to the Cboe Derivatives Paper*

**Is the fund expected to have 2 or more of the following characteristics (as outlined in ASIC Regulatory Guide 240)**

- Complexity of investment strategy or structure
- Use of leverage for investment purposes
- Use of derivatives, other than for managing risk or more efficiently gaining exposure (subject to certain limits)
- Use of short selling
- A performance fee

Please tick all boxes that apply

Yes/No

If yes, required disclosures set out in the PDS section/page ..... 

Is a draft PDS available?

Yes/No

If no, expected timing

**Does the PDS contain the required disclosure about the differences between an investment product that is listed and one that is quoted?**

Yes/No

Please refer to PDS section/page ..... 

Is the fund proposing to lend out the securities in the portfolio?

Yes/No

Please refer to PDS section/page ..... 

### 1.3 UNDERLYING ASSETS

<table>
<thead>
<tr>
<th>Asset type</th>
<th>Eligibility under r14.17</th>
<th>Caps/limits and document set out in</th>
<th>iNAV – actual or proxy used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will the fund comply with the eligibility criteria in Rule 14.20 and Rules Procedure 14.20</td>
<td>Yes/No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>-------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is the fund proposing to use CHESS Depositary Interests?</td>
<td>Yes/No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If any assets with eligibility under 14.17(d) (fixed income security (eligible portfolio)), is the issuer seeking to rely on</td>
<td>Please complete full details in s2 Fixed income security (eligible portfolio)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Minimum Requirements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Holistic review</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Holding in a Minority Portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 1.4 DERIVATIVES

**NB: Please refer to the Cboe Derivatives Paper**

<table>
<thead>
<tr>
<th>Asset type</th>
<th>Expected use</th>
<th>Caps/limits and document set out in</th>
</tr>
</thead>
</table>

### 1.5 REGISTRY MODEL

**Please complete full details in s3 Direct OTC Creation/Redemption (aka dual access) if applicable**

| □ Exchange traded | |
| □ Direct OTC Creation/redemption with a new unlisted fund | If with an existing fund, please describe existing unlisted fund in s1.1(e) above |
| □ Direct OTC Creation/redemption with an existing unlisted fund | |

### 1.6 PORTFOLIO DISCLOSURE & iNAV

**Please complete full details in s4 Material Portfolio Disclosure or s5.4 Internal Market Making as applicable**

| □ Full daily portfolio disclosure | |
| □ Full daily portfolio disclosure with advance disclosure to AP | |
| □ Delayed disclosure* with internal market making | |
| □ Delayed disclosure* with daily material portfolio information (MPI) disclosure | |

* e.g. not later than quarterly 2 months delayed

*Please tick the one box that applies. If ticking internal market making or MPI please complete the following sections on the iNAV as well.*

| □ Full daily portfolio disclosure | |
| □ Full daily portfolio disclosure with advance disclosure to AP | |
| □ Delayed disclosure* with internal market making | |
| □ Delayed disclosure* with daily material portfolio information (MPI) disclosure | |

* If delayed portfolio disclosure, please describe why and what frequency of portfolio disclosure is necessary to protect the fund’s intellectual property*  

| □ Full daily portfolio disclosure | |
| □ Full daily portfolio disclosure with advance disclosure to AP | |
| □ Delayed disclosure* with internal market making | |
| □ Delayed disclosure* with daily material portfolio information (MPI) disclosure | |

*If proposing internal market making rather than MPI please explain why.*

**How will the iNAV be calculated? Please include in your answer:**

| □ whether the iNAV provider will receive the full portfolio* | |
| □ will proxies be used and how less liquid or international securities will be priced | |
| □ how material intraday changes in the portfolio holdings will be handled. | |

*For MPI the iNAV provider may be provided with the MPI OR the full portfolio for calculating the iNAV*  

* Please tick all boxes that have been addressed in your answer
## 1. PRODUCT SUMMARY – Warrants

Please ensure the corresponding sections of the Issuer Application Form (IAF) and Product Application Form (PAF) are completed as required.

### 1.1 ISSUER AND ANTECEDENTS

<table>
<thead>
<tr>
<th>Issuer full legal name</th>
</tr>
</thead>
</table>

*Please complete full details in IAF and s8 Clearing & Settlement below*

<table>
<thead>
<tr>
<th>Description of proposed product</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) underlying share/index</td>
</tr>
<tr>
<td>(ii) units per underlying parcel</td>
</tr>
<tr>
<td>(iii) exercise style</td>
</tr>
</tbody>
</table>

*Please identify the underlying asset(s) and the basis upon which the applicant is of the view that there is a fair, orderly and transparent market in respect of those assets.*

*Please describe the issuer’s competency/track record, resources and*

### 1.7 MARKET MAKING

*Please complete full details in s5 Liquidity*

<table>
<thead>
<tr>
<th>External market making – lead market maker</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Name and if signed]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Internal market making - market maker agent (MMA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Name and if signed]</td>
</tr>
</tbody>
</table>

### 1.8 SERVICE PROVIDERS

If not outsourcing describe the issuer competency in Annexure L1

If outsourcing, provide a copy of the agreement/s as Annexure L2

<table>
<thead>
<tr>
<th>If outsourcing please tick the box below and complete details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment administrator</td>
</tr>
<tr>
<td>Custodian</td>
</tr>
<tr>
<td>Portfolio calculation agent</td>
</tr>
<tr>
<td>Unit pricing</td>
</tr>
<tr>
<td>Registry</td>
</tr>
<tr>
<td>Fund’s Clearing Broker</td>
</tr>
<tr>
<td>Authorised Participant/s</td>
</tr>
<tr>
<td>iNAV provider/s</td>
</tr>
<tr>
<td>Auditor</td>
</tr>
<tr>
<td>Legal Counsel</td>
</tr>
<tr>
<td>Rating Agency</td>
</tr>
</tbody>
</table>

### 1.9 OTHER

*Will require confirmation in Legal Opinion*

*What, if any, Corporations Act relief will likely be applied for OR existing relief to be relied upon by the issuer?*

*What, if any, waivers are requested or sought to be granted from Cboe Operating Rules*
systems and controls to issue the proposed product (if not adequately covered in the IAF)

2. **FIXED INCOME SECURITY (ELIGIBLE PORTFOLIO)**

2.1 Does the proposed product hold underlying assets that are fixed income security (eligible portfolio).

<table>
<thead>
<tr>
<th>Yes □</th>
<th>No □</th>
</tr>
</thead>
<tbody>
<tr>
<td>If yes, please complete below as applicable</td>
<td></td>
</tr>
</tbody>
</table>

2.2 Please confirm if the issuer meets the **Minimum Requirements** and insert the details below

- **(i)** Issuer aggregate AUM >$500m; AND
- **(ii)** One or more funds (details to be inserted below), that:
  1. (a) hold the same assets specified in rule 14.17(d)(i) as those proposed as underlying assets in the quoted fund for which quotation is sought; and
  2. (b) in aggregate have more than $100m of assets under management; and
  3. (c) have been in operation for over five years

| Confirmed □ |

Issuer aggregate AUM

Existing fund name

Link to PDS

Fund inception

Fund size (AUM)

No. of holders

If OTC or exchange traded

2.3 If the issuer does not meet the Minimum Requirements, please confirm if these will be held as a **Minority Portfolio** and

- **(i)** Will be valued by an independent calculation agent, AND
- **(ii)** Investment mandate provides that the fixed income securities (eligible portfolio) will not exceed 10% of the NAV individually or when aggregated

| Confirmed □ |

Please refer to section/page.....

2.4 If the issuer does not meet the Minimum Requirements OR Minority Portfolio please provide details in **Annexure S** for a **holistic review** as outlined in the Investment Products Pack, including consideration of the other entities involved in the investment management, pricing, liquidity etc

| Attached □ | N/A □ |

2.5 Please confirm the Legal Opinion (**Annexure B**) confirms the assets will satisfy Cboe Operating Rule 14.17(d)(ii) Reliable Pricing Framework

| Confirmed □ |

3. **DIRECT OTC CREATION/REDEMPTION**

3.1 If the proposed product is to use a direct OTC Creation/re redemption model, provide details in **Annexure O** including:

- **(i)** Issuer and registry competency/track record, systems and controls to carry out this model (including for equal access, conversions, unit pricing, simultaneously creating and redeeming units in unquoted funds while replica quoted funds are traded etc).

| Attached □ | N/A □ |

3.2 Please confirm the Legal Opinion (**Annexure B**) confirms the arrangements treat holders equally and complies with the Corporations Act

| Confirmed □ |

3.3 Please confirm the PDS (**Annexure A**) contains disclosures re this model and the relevant sections/pages

| Confirmed □ |

Please refer to PDS section/page.....
### 4. MATERIAL PORTFOLIO DISCLOSURE

**4.1** If the proposed product is to use material portfolio disclosure, provide details in Annexure P including:

(i) Issuer competency/track record, systems and controls supporting MPI (including MPI suitability; backtesting and expected tracking error; for monitoring the fund’s trading activity and underlying asset values and disclosing information that would have a material effect on prices and which is not included in the MPI disclosure etc)

(ii) What information will make up the MPI and basis for this? What information is excluded from MPI?

(iii) How the iNAV will be calculated and any checks and controls applied to ensure its accuracy

**Attached □ N/A □**

**4.2** Please confirm the market maker has confirmed the MPI is sufficient for their purposes and the relevant sections/pages of the Market Making Agreement (Annexure L2) where the MPI is referenced?

**Confirmed □**

*Please refer to Market Maker Agreement section/page.....*

**4.3** Please confirm the PDS (Annexure A) contains disclosures re this model and the relevant sections/pages

**Confirmed □**

*Please refer to PDS section/page.....*

### 5. LIQUIDITY

**5.1** How does the product issuer propose it will satisfy rule 14.14(a) requirements for liquidity:

- □ Adequate and reasonable initial spread of holders
- □ Maintaining a reasonable bid and volume in the market itself – Complete s5.2
- □ External Market Making – Complete s5.3
- □ Internal Market Making – Complete s5.4-5.8
- □ Other – Please describe ...

*Please tick the one box that applies*

**5.2** If Reasonable Bid - provide details in Annexure M1 including:

(i) systems and controls the product issuer will rely upon to:

(d) ensure that reasonable bid is maintained for at least 90% of active continuous trading; and

(e) determine the volume at which that bid will be maintained and why that volume is reasonable in all the circumstances.

(ii) minimum obligation metrics (maximum spread, minimum order value, minimum time)

**Attached □ N/A □**

---

10 See table 2.2 in Procedure 4.9 of the Operating Rules: Procedures.
| 5.3 | If External Market Making - provide a copy of the market maker agreement ([Annexure M2](#)) and details in [Annexure M1](#) including:  
(i) systems and controls that the product issuer will rely upon to monitor the performance of the market maker and ensure the liquidity obligations are being maintained.  
(ii) authorised participants  
(iii) minimum obligation metrics (maximum spread, minimum order value, minimum time) | Attached □  
N/A □ |
| 5.4 | If Internal Market Making - provide a copy of the market making agent agreement ([Annexure M2](#)) and details in [Annexure M1](#) including:  
(i) issuer and market making agent (MMA) competency/track record, resources and procedures, systems and controls to carry out internal market making (e.g. information barriers including where agent undertakes hedging functions; how market making may deviate from set parameters by issuer or MMA; details on how the issuer will manage the conflict of interest; processes and procedures the issuer has in place to continually monitor the MMA; how to manage iNAV inaccuracy or unavailability)  
(ii) what information is provided as the inputs for the market making quotes  
(iii) circumstances where market making may cease and/or request a trading halt  
(iv) short summary/diagram of the workflow relating to the MMA including information flow and timing (e.g goes to symmetrical disclosures)  
(v) minimum obligation metrics (maximum spread, minimum order value, minimum time) for normal and volatile markets | Attached □  
N/A □ |
| 5.5 | Please confirm the input for market-making quotes is limited to publicly available information. | Confirmed □ |
| 5.6 | Please confirm  
(a) the profits from trading are retained in the fund;  
(b) issuer will not use treasury stock in the course of internal market making | Confirmed □ |
| 5.7 | Please confirm the Legal Opinion ([Annexure B](#)) confirms the arrangements comply with the Corporations Act. | Confirmed □ |
| 5.8 | Please confirm the PDS ([Annexure A](#)) contains disclosures re this model and the relevant sections/pages | Confirmed □  
*Please refer to PDS section/page.....* |

### INDEX PROVIDER

| 6.1 | If the underlying is an index, please provide in [Annexure N](#) details including the following | Attached □  
N/A □ |
Investment Products Information Pack v1.6

| (i) if the product issuer is related to the index provider and if so an explanation of the governance arrangements in place between the product issuer and index provider |
| (ii) the written authorisation from the owner of the index. |
| (iii) the information satisfying rule 14.18(b), |
| a. namely the transparent methodology for constructing and maintaining the index, including eligibility criteria and measures that mitigate the risks and expense of frequent or unexpected rebalances; |
| b. transparent governance arrangements with regards to the index, including conflicts of interest arrangements; |
| c. systems and controls that will maintain the integrity of the index and mitigate the risk of manipulation or distortion by insiders or related parties of index providers for their own financial benefit and to the detriment of investors; |
| d. arrangements for the dissemination of index information that will ensure all market participants and investors are treated equally; |
| e. confirmation that the index provider has complied with relevant guidance issued by ASIC and/or any other applicable regulatory authority in respect of index selection principles. |

6.2 Please confirm the applicant’s website will include a statement fulfilling the requirements in rule 14.18(c).

Confirmed □

Please refer to website ....

7. ENTITLEMENTS

7.1 Please provide full details of any entitlement of any person to participate in the issue of the products (Annexure Q).

Attached □ N/A □

8. CLEARING & SETTLEMENT

8.1 Are any products currently issued by the applicant cleared and settled through ASX Clear/Settlement?

Yes □ No □

8.2 If YES, does the applicant propose issuing Cboe investment products with the same clearing/settlement profile?

Yes □ No □

8.3 If the answer is NO to either of 8.1 or 8.2, then please provide in Annexure R an outline of the clearing and settlement profile of the products that the applicant intends to issue. The profile should address:

(i) valuation and risk models that will be used for the products to be issued;
(ii) the availability of any underlying assets to meet the clearing and settlement cycles imposed by ASX Clear and ASX settlement;
(iii) the processes and frequency by which the net tangible assets and/or net asset value of any investment products issued will be calculated and published;
(iv) how the applicant will maintain a registry for each investment product it issues.

Attached □ N/A □

8.4 Please provide details in Annexure R

(i) any existing certification from ASX Clear and Settlement that the product is ready to be cleared and settled; or
(ii) a written consent authorising ASX Clear and ASX Settlement to engage directly with Cboe on the certification of the product.

Note that a product will not be admitted to trading until ASX Clear and ASX Settlement have certified that the product has been registered for clearing and settlement.

(iii) the address at which the register of product holders will be maintained and any third party arrangement the product issuer has entered in respect of that registry.

Attached □ N/A □
<table>
<thead>
<tr>
<th>9. GUARANTOR</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>9.1 Is there a guarantor?</td>
<td>Yes ☐ No ☐</td>
</tr>
</tbody>
</table>
| 9.2 If YES, include in Annexure E a copy of the agreement and full details of any guarantor relationship that the applicant is proposing to rely on to satisfy the eligibility criteria including  
(i) the full name, ABN or equivalent if incorporated outside Australia, and principal place of business of the guarantor;  
(ii) the AFSL held in respect of the guarantor’s activities as a guarantor or alternatively an outline of how it fulfils the criteria in rule 14.3(a), (b) or;  
(iii) a copy of the last three years financial reports and statements for the guarantor;  
(iv) full details of the regulatory status of the guarantor, including the most recent statement on its prudential status (eg FS71 or last submitted Statement of Financial Position);  
(v) the relationship if any between the applicant and the guarantor, other than in relation to satisfying the eligibility criteria |

This information does not have to be re-submitted if it has already been provided in a previous application to Cboe unless there have been material changes.

<table>
<thead>
<tr>
<th>10. DOCUMENT CHECKLIST</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Please attach as Annexure:</td>
<td></td>
</tr>
<tr>
<td>A. Product Disclosure Statement (PDS) and any other disclosure document prepared in respect of the product (Annexure A – Disclosure document);</td>
<td>Attached ☐ N/A ☐</td>
</tr>
<tr>
<td>B. Legal opinion that the product falls within the category of products able to be traded on Cboe and compliance with the Corporations Act (Annexure B – Legal Opinion);</td>
<td>Attached ☐ N/A ☐</td>
</tr>
<tr>
<td>C. Outline of the valuation modelling that has been undertaking in respect of the product for which quotation is sought and any underlying assets (Annexure C);</td>
<td>Attached ☐ N/A ☐</td>
</tr>
<tr>
<td>D. Any underwriting agreement or other contract entered in relation to dealing in the product (Annexure D);</td>
<td>Attached ☐ N/A ☐</td>
</tr>
<tr>
<td>E. Guarantor details, including any agreement or arrangement with a guarantor in relation to the product (Annexure E);</td>
<td>Attached ☐ N/A ☐</td>
</tr>
<tr>
<td>F. Analysis upon which the product issuer relies for concluding that the rule 14.19 [sufficient underlying assets] requirements concerning underlying assets are satisfied (Annexure F);</td>
<td>Attached ☐ N/A ☐</td>
</tr>
<tr>
<td>G. Any distribution agreements in respect of the product (Annexure G);</td>
<td>Attached ☐ N/A ☐</td>
</tr>
<tr>
<td>H. Terms of issue for the product (Annexure H);</td>
<td>Attached ☐ N/A ☐</td>
</tr>
<tr>
<td>I. Any trust deeds relating to the product (Annexure I);</td>
<td>Attached ☐ N/A ☐</td>
</tr>
<tr>
<td>J. Product approvals relating to any similar products admitted to trading on a licenced Australian market and upon which the product issuer may wish to rely as supporting the application for approval of the current application (Annexure J).</td>
<td>Attached ☐ N/A ☐</td>
</tr>
<tr>
<td>K. Investment Manager details including copy of agreement (Annexure K)</td>
<td>Attached ☐ N/A ☐</td>
</tr>
<tr>
<td></td>
<td>Service provider details</td>
</tr>
<tr>
<td>---</td>
<td>--------------------------</td>
</tr>
<tr>
<td>L</td>
<td>1. Description of issuer competency if not outsourced <em>(Annexure L1)</em></td>
</tr>
<tr>
<td></td>
<td>2. Copy of agreement where outsourced <em>(Annexure L2)</em></td>
</tr>
<tr>
<td></td>
<td>Attached □ N/A □</td>
</tr>
<tr>
<td></td>
<td>Market making details</td>
</tr>
<tr>
<td>M</td>
<td>1. Issuer’s systems and controls etc <em>(Annexure M1)</em>,</td>
</tr>
<tr>
<td></td>
<td>2. Market making agreement (either appointing third party for external market making or appointing market making agent for internal market making) <em>(Annexure M2)</em></td>
</tr>
<tr>
<td></td>
<td>Attached □ N/A □</td>
</tr>
<tr>
<td></td>
<td>Index details <em>(Annexure N)</em></td>
</tr>
<tr>
<td>N</td>
<td>Attached □ N/A □</td>
</tr>
<tr>
<td></td>
<td>Direct OTC Creation/redemption model details <em>(Annexure O)</em></td>
</tr>
<tr>
<td>O</td>
<td>Attached □ N/A □</td>
</tr>
<tr>
<td></td>
<td>Material Portfolio Information details <em>(Annexure P)</em></td>
</tr>
<tr>
<td>P</td>
<td>Attached □ N/A □</td>
</tr>
<tr>
<td></td>
<td>Entitlement details <em>(Annexure Q)</em></td>
</tr>
<tr>
<td>Q</td>
<td>Attached □ N/A □</td>
</tr>
<tr>
<td></td>
<td>Clearing and settlement details <em>(Annexure R)</em></td>
</tr>
<tr>
<td>R</td>
<td>Attached □ N/A □</td>
</tr>
<tr>
<td></td>
<td>Fixed Income Security (Eligible Portfolio) <em>(Annexure S)</em></td>
</tr>
<tr>
<td>S</td>
<td>Attached □ N/A □</td>
</tr>
<tr>
<td></td>
<td>Compliance Plan <em>(Annexure T)</em></td>
</tr>
<tr>
<td>T</td>
<td>Attached □ N/A □</td>
</tr>
<tr>
<td></td>
<td>[Please insert additional annexures]</td>
</tr>
</tbody>
</table>

### PUBLICITY

11. **Do you agree to Cboe identifying the product as an investment product quoted on the Cboe market, linking to the applicant’s website and using the applicant’s logo in Cboe publicity and marketing materials (including on its website) for this purpose?**

Yes □  No □

If you would like to use the Cboe or TraCRs name or logo in your publicity and marketing materials for the product, please email au.marketing@Cboe.com to provide details on how it is proposed to be used. Any materials which use the Cboe or TraCRs logos must be submitted to Cboe for approval prior to circulation or publication. You must comply with any directions provided by Cboe in relation to your use of the Cboe and TraCRs Trade Marks.

-END-
## ATTACHMENT THREE – SOME RELEVANT RELIEF

<table>
<thead>
<tr>
<th>Class Order/Instrument</th>
<th>Relevant Investment Products</th>
<th>Matters Covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASIC Corporations (Division 4 Financial Products) Instrument 2015/1030(^{12})</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>02/608*</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>03/957*</td>
<td>✓</td>
<td>Managed investment warrants: disclosure and reporting exemptions</td>
</tr>
<tr>
<td>10/1034*</td>
<td>✓</td>
<td>Exempts certain types of warrants from the additional obligations imposed on margin lenders, in particular, in Division 4A of Part 7.8 of the Act.</td>
</tr>
<tr>
<td>13/526*</td>
<td>✓</td>
<td>Allows, in some cases, the holder of a ‘relevant interest’ in securities arising out of the issue/holding of warrants to be exempt from some of the takeover and substantial holding provisions of the Corporations Act.</td>
</tr>
<tr>
<td>ASIC Corporations (Short Selling) Instrument 2018/745(^{**})</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>13/655(^{**})</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>13/721(^{**})</td>
<td>✓</td>
<td>✓</td>
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<td></td>
<td>✓</td>
<td>Exempts a responsible entity from the ‘equal treatment’ of members’ requirements, and substantial holding and beneficial holding notice requirements due to holding an interest in an ETF.</td>
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</tbody>
</table>

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\(^{11}\)Issuers requiring further relief may need to apply bilaterally to ASIC  
### 13/1200**

<table>
<thead>
<tr>
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<th>✓</th>
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</table>

Provides relief from provisions of the Corporations Act that deal with periodic reporting requirements for issuers of interests in certain registered managed investment schemes, where the scheme is quoted on a regulated market.

### 18/311 (formerly 13/680)

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Exempts participant from complying with the obligation to execute orders on market (see rule 6.1.1(1) of the Market Integrity Rules (Securities Markets)) in specified situations, including when the participant enters into a transaction as an ETF special trade.


## ATTACHMENT FOUR – HOLISTIC REVIEW CHECKLIST

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Factors</th>
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<tbody>
<tr>
<td><strong>Issuer - Minimum Requirements</strong></td>
<td>Aggregate AUM</td>
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<tr>
<td></td>
<td>Existing funds holding relevant assets</td>
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<tr>
<td></td>
<td>AUM</td>
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<tr>
<td></td>
<td>Years of operation</td>
</tr>
<tr>
<td><strong>IM - Minimum Requirements</strong></td>
<td>Aggregate AUM</td>
</tr>
<tr>
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<td>Existing funds holding relevant assets</td>
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<td>AUM</td>
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<td>Years of operation</td>
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<td><strong>Entities</strong></td>
<td>Product Issuer</td>
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<td>ICA</td>
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<td>RPF</td>
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<tr>
<td><strong>Personnel</strong></td>
<td>Bios</td>
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<td></td>
<td>IM experience</td>
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<td></td>
<td>HR Policies</td>
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<td></td>
<td>Structure</td>
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<tr>
<td></td>
<td>Job descriptions</td>
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<td>Team statistics</td>
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<tr>
<td><strong>Governance</strong></td>
<td>Risk management framework</td>
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<td></td>
<td>Compliance plan</td>
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<td>Conflicts policy and management record</td>
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<td>Internal controls reporting</td>
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<td></td>
<td>Trade allocation</td>
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<td>Hospitality</td>
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<td></td>
<td>GS 007 and ISAE 3402 reports on internal controls</td>
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<tr>
<td></td>
<td>Operational Due Diligence reports</td>
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<tr>
<td><strong>Trade Processes and Operational Management</strong></td>
<td>Track record of trade execution/allocation/conformation/record keeping/counterparty tracking/</td>
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<td></td>
<td>Asset handling</td>
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<td>Dealing policies</td>
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<tr>
<td><strong>Valuations</strong></td>
<td>Aggregate fund</td>
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<td>Portfolios</td>
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<td>Individual assets</td>
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<td></td>
<td>Outsourcing arrangements – selection and monitoring</td>
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<td></td>
<td>Statement of roles and responsibilities</td>
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<td>Transparency and robustness</td>
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<td>Record of errors and error management</td>
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<td><strong>Service Provider Oversight</strong></td>
<td>Track record on selection</td>
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<td>Monitoring</td>
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<td>Correcting errors</td>
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<td>IOSCO MiFID standards</td>
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<td>SLAs</td>
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<tr>
<td><strong>Reporting</strong></td>
<td>Reporting to clients</td>
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<td></td>
<td>Timeliness, clarity, independence and detail</td>
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<tr>
<td></td>
<td>Reporting compliance with mandate and any breaches</td>
</tr>
</tbody>
</table>