

# ASX OPERATING RULES PROCEDURES

## CANCELLATIONS, DEALING DISPUTES AND ANOMALOUS ORDER THRESHOLD

### Request for Cancellation

#### Procedure 3200

Procedure 3200 – Request for Cancellation											
<b>Timing</b>											
...											
<b>Time Limit</b>	<b>Shares, Company Options, ETFs, CGS, Managed Fund Products, CDIs, Warrants, Structured Products and Interest Rate Securities</b>										
	<b>ETOs and <u>LEPOs</u>Futures</b>										
ASX will not facilitate the requested cancellation of a trade where the request was not made in accordance with the above timing or 10 minutes has elapsed since the end of the CSPA on TradeMatch and the end of continuous trading on PureMatch on the relevant Trading Day, whichever is sooner.											
ASX will not facilitate the requested cancellation of a trade where the request was not made in accordance with the above timing or 10 minutes has elapsed since the end of the Open Session State for that product on the relevant Trading Day, whichever is sooner.											
...											
<b>Cancellation Ranges</b>	<p>On receipt of the email request, ASX will refer to the Reference Price for that product and then assess whether the trade qualifies for cancellation during continuous trading as follows:</p> <p><b>Shares, Company Options, ETFs, Managed Fund Products, CDIs, CGS, Interest Rate Securities and Futures</b></p> <table border="1"> <thead> <tr> <th>Range</th> <th>Outcome</th> </tr> </thead> <tbody> <tr> <td>At or within the NCR (No Cancellation Range)</td> <td>The trade will not be cancelled.</td> </tr> <tr> <td>At or within the QCR (Qualifying Cancellation Range)</td> <td>The trade will only be cancelled if the Participant counterparty to the trade consents within 10 minutes from contact by ASX Trading Operations.</td> </tr> <tr> <td>At or within the ETR (Extreme Trade Range)</td> <td>ASX will cancel the trade subject to any exceptions. If a Participant has requested a cancellation and the trade is determined by ASX to be within the ETR, Rule [3200] ceases to apply and Rule [3210] applies.</td> </tr> </tbody> </table> <p><b>Warrants, Structured Products, <u>and ETOs</u> <u>and LEPOs</u></b></p> <table border="1"> <thead> <tr> <th>Range</th> <th>Outcome</th> </tr> </thead> <tbody> </tbody> </table>	Range	Outcome	At or within the NCR (No Cancellation Range)	The trade will not be cancelled.	At or within the QCR (Qualifying Cancellation Range)	The trade will only be cancelled if the Participant counterparty to the trade consents within 10 minutes from contact by ASX Trading Operations.	At or within the ETR (Extreme Trade Range)	ASX will cancel the trade subject to any exceptions. If a Participant has requested a cancellation and the trade is determined by ASX to be within the ETR, Rule [3200] ceases to apply and Rule [3210] applies.	Range	Outcome
Range	Outcome										
At or within the NCR (No Cancellation Range)	The trade will not be cancelled.										
At or within the QCR (Qualifying Cancellation Range)	The trade will only be cancelled if the Participant counterparty to the trade consents within 10 minutes from contact by ASX Trading Operations.										
At or within the ETR (Extreme Trade Range)	ASX will cancel the trade subject to any exceptions. If a Participant has requested a cancellation and the trade is determined by ASX to be within the ETR, Rule [3200] ceases to apply and Rule [3210] applies.										
Range	Outcome										

**Procedure 3200 – Request for Cancellation**

At or within the QCR (Qualifying Cancellation Range)	The trade will only be cancelled if the Participant counterparty to the trade consents within 10 minutes from contact by ASX Trading Operations.
At or within the ETR (Extreme Trade Range)	ASX will cancel the trade subject to any exceptions. If a Participant has requested a cancellation and the trade is determined by ASX to be within the ETR, Rule [3200] ceases to apply and Rule [3210] applies.

The cancellation ranges and Reference Prices are set out below.  
 ASX will not accept the financial loss incurred by a Participant as grounds for cancellation.

...

Cancellation Ranges for Shares, Company Options, ETFs, Managed Fund Products, CDIs, CGS, and Interest Rate Securities	PRICE	TICK	NCR	QCR	ETR
	0.1 – 9.9 cents	0.1 cent	0 – 4 cents	The range above the NCR and below the ETR	> 10 cents
	10 – 15.5 cents	0.5 cent	0 – 4 cents		> 30 cents
	16 – 99.5 cents	0.5 cent	0 – 10 cents		> 30 cents
	100 – 119.5 cents	0.5 cent	0 – 10 cents		> 50 cents
	120 – 199.5 cents	0.5 cent	0 – 15 cents		> 50 cents
	200 – 234 cents	1 cent	0 – 15 cents		> 50%
	235 – 499 cents	1 cent	10%		> 50%
	500 – 699 cents	1 cent	10%		> 40%
	700 – 999 cents	1 cent	10%		> 35%
	1000 – 1999 cents	1 cent	10%		> 30%
	2000 – 4999 cents	1 cent	10%		> 25%
	≥5000 cents	1 cent	10%		> 20%

The ETR is the same as the ETR set out in the ASIC Market Integrity Rules. For Shares, Company Options, ETFs, Managed Fund Products, CDIs and CGS at or below 9.9 cents, the ETR values may be different to the relevant tick values so ASX will round down the ETR to the applicable tick value eg if the upper ETR is 19.9 cents (9.9 plus 10 cents) it will be rounded down and applied at 19.5 cents.

The ETR for a Combination Trade which has one counterparty on each side may be determined by either the higher of the Combination as a net price or the higher of one of the component series which make up the Combination.

~~The ETR for a Combination Trade which is Cash/Derivatives Combination Trade that has one counterparty on each side may be determined by the Derivatives leg/s which makes up the Combination. For Equity LEPOs the above ETR for Equity Market and Cash Market Products will be used. For a LEPO only Combination the ETR for Equity Market and Cash Market Products will be used and not the ETO only Combination ETR. There will be no NCR for LEPOs.~~

<b>Cancellation Ranges for Warrants and Structured Products</b>	The QCR will be the difference between the Warrant Reference Price or the Structured Product Reference Price and the ETR.
	The ETR is the same as for Shares, ETFs, Managed Fund Products, CDIs, CGS and Interest Rate Securities.

<b>Cancellation Ranges for ETOs and LEPOs</b>	<del>ETO Cancellation Ranges</del> (for Equity and Index- <del>ETOs</del> )
	The QCR will be the difference between the <del>ETO</del> Reference Price and the ETR.
	The ETR for both <del>ETOs</del> and <del>LEPOs</del> is based on the Market Maker spread requirements as per the ETO eClass (and where the LEPO is in the same Class)

**Procedure 3200 – Request for Cancellation**

quoting schedules which are available at <https://www2.asx.com.au/content/dam/asx/participants/derivatives-market/equity-derivatives/asx-eto-market-making-scheme.pdf>

For ETOs the ETR will be calculated as:

ETR Lower Limit = ETO Reference Price - (Market Maker quoting schedule spread x 1.0)

ETR Upper Limit = ETO Reference Price + (Market Maker quoting schedule spread x 1.0)

~~The ETR for a Combination Trade which is a Derivatives only Combination Trade that has one counterparty on each side may be determined by either the higher of the Combination as a net price or the Derivatives leg which makes up the Combination.~~

~~The ETR for a Combination Trade which is Cash/Derivatives Combination Trade that has one counterparty on each side may be determined by the Derivatives leg/s which makes up the Combination. The ETR for a Derivatives Combination Trade which has one counterparty on each side may be determined by either the higher of the Combination as a net price or the higher of one of the component series which make up the Combination.~~

~~For Equity LEPOs the ETR for Equity Market and Cash Market Products will be used. There will be no NCR for LEPOs.~~

~~For a LEPO only Combination the ETR for Equity Market and Cash Market Products will be used and not the ETO only Combination ETR.~~

~~For Index LEPOs the following ranges apply:~~

<del>Index LEPO Contracts</del>	<del>QCR</del>	<del>Start of ETR</del>
<del>S&amp;P/ASX 200 A-REIT Index LEPO</del>	<del>26—249 Points</del>	<del>250 Points</del>
<del>S&amp;P/ASX 200 Index LEPO</del>	<del>26—249 Points</del>	<del>250 Points</del>
<del>S&amp;P/ASX 50 Index LEPO</del>	<del>26—249 Points</del>	<del>250 Points</del>

...

**Reference Price – Warrants, Structured Products, Interest Rates Securities, ETOs and LEPOsFutures**

**Cancellation Reference Price**

The Cancellation Reference Price is established on an as needs basis. It is not determined at the start of day, or refreshed during an auction, but is determined using available data before the trade which gives rise to the cancellation request. The Cancellation Reference Price is applied to determine the NCR (for Interest Rate Securities, Structured Products and Futures), QCR and ETR (for Warrants, ETOs, Interest Rate Securities, Structured Products and Futures). The following criteria are used where relevant:

- the price established by the opening auction, any subsequent auction, or after a Trading Suspension on each Trading Day;
- if there is no opening auction for the security, the price of the first transaction executed on the market for that Trading Day;
- theoretical valuation. For ASX ETOs the dividends used for valuation purposes will be supplied by Markit and the interest rate used will be the same as that used with the Derivatives Clearing System (DCS). For American style options the Binomial Model will be used and for European style options the Black/Scholes option pricing will be used;
- valid last trade price preceding the entry of the asserted error trade, adjusted for underlying movements if required;

### Procedure 3200 – Request for Cancellation

- valid bid or ask available in the market, adjusted for underlying movements if required;
- using the preceding Daily Settlement Price Implied Volatility for the relevant series adjusted for underlying movement;
- intra and inter spread relationships;
- market conditions immediately before and after the transaction(s);
- independent third parties;
- physical markets;
- last trade price of Underlying Security, ratio and relevant exchange rate in relation to a Depositary Receipt;
- utilisation of Request For Quote;
- wholesale OTC market price where relevant;
- Issuer pricing matrices where relevant.

Introduced 28/11/11 Amended 27/02/12, 22/10/12, 29/01/13, 31/03/13, 26/05/13, 08/10/13, 25/11/13, 01/06/15, 07/03/16, 20/03/17, 24/01/22, 14/03/22, 28/11/22, 21/07/23, [19/02/24](#)

...

### Anomalous Order Thresholds

#### Procedure 3260

### Procedure 3260 – Anomalous Order Thresholds

#### Application

The Anomalous Order Threshold applies to **Shares, Company Options, ETFs, Managed Fund Products, CDIs and CGS** (products subject to the ASIC Market Integrity Rules) and will be applied to **Interest Rates Securities** (although not subject to the ASIC Market Integrity Rules) during continuous trading (defined in the ASIC Market Integrity Rules as trading other than a time during which:

- (a) Orders are not matched and Transactions are not executed on a continuous basis on the Relevant Order Book; or
- (b) an auction is being conducted on the Relevant Order Book.)

The Anomalous Order Threshold **does not** apply to Warrants, Structured Products, ETOs and [LEPOsFutures](#).

...

Introduced 28/11/11 Amended 27/02/12, 22/10/12, 31/03/13, 26/05/13, 08/10/13, 25/11/13, 20/04/15, 01/06/15, 23/07/18, 24/01/22, [19/02/24](#)