

CHAPTER 2

COMPLIANCE WITH AND ENFORCEMENT OF LISTEES' LISTING STANDARDS

**CHAPTER 2 - SCOPE OF CHAPTER
COMPLIANCE WITH AND ENFORCEMENT
OF THE LISTEES' LISTING STANDARDS**

This **Chapter** contains Rules regarding the compliance with and enforcement of the *Listees' Listing Standards including those Rules pertaining to suspension and cancellation of *quotation.

*APX has absolute discretion concerning the granting of listing status and admission to the *official list (and any removal) and the *quotation of a *listees' securities (and any suspension). In exercising its discretion, *APX makes all such allowances or exemptions with consideration for the principles on which the *Listees' Listing Standards are based.

*APX may also waive compliance with any Rule, or part of a Rule, of the *Listees' Listing Standards, unless the Rule in question states otherwise. The *Listees' Listing Standards necessarily cast a wide net. However, *APX does not desire to inhibit any legitimate commercial transactions which, to the satisfaction of *APX, do not undermine the objective and principles on which the *Listees' Listing Standards are based.

If *APX decides to grant a waiver, it may do so on conditions. These conditions must be complied with for the waiver to be effective. Waivers are published by *APX periodically and are advised to the *ASIC.

A *listee's securities, or a *class of them, are quoted if they have been granted *quotation under **Chapter 4**. If *APX ends *quotation of a *class of securities, they are no longer deemed to be a *class of *quoted securities. Further *quotation of these *securities would require a new application to be made to APX in relation to them and to be **granted**, whereupon they may be further quoted. However, suspension of *securities does not amount to a permanent ending of *quotation, and as such, such *securities remain as *quoted securities.

*Securities are not suspended merely due to transactions in them being interrupted (ie., cannot be effected on the *trading system because *APX has received a market sensitive announcement in relation to the *listee), nor are they suspended because they are subject to a *trading halt.

*Securities that are suspended, may be reinstated to *quotation **without** a fresh application.

If a *listee is removed from *listee status, *quotation of all its *securities ends. A new application for granting *listee status, admission to the *official list and *quotation of *securities would need to be made, and granted, before the *securities could regain *quotation.

COMPLIANCE WITH LISTEES' LISTING STANDARDS.

- 2.1.1.** Each *listee must comply with all *Listees' Listing Standards applicable to it .
- 2.1.2.** In addition to the requirements of the *Listees' Listing Standards, *APX may impose reasonable requirements on a *listee that are intended to ensure compliance with the *Listees' Listing Standards and the *listee must comply with those requirements.
- 2.1.3.** If requested by *APX in writing, a person who submits a listing application must without delay provide to *APX:
- (a) all the information that *APX may reasonably require for the purpose of deciding whether to grant a listing application or an application for quotation of *securities; and
 - (b) all information that *APX may reasonably require for the purpose of verifying compliance with the *Listees' Listing Standards.
- 2.1.4.** If requested by *APX in writing, a *listee must without delay provide to *APX :
- (a) all information that *APX considers appropriate in order to protect investors or ensure the smooth operation of the market; and
 - (b) all information that *APX may reasonably require for the purpose of verifying compliance with the *Listees' Listing Standards.
- 2.1.5.** *APX may, in relation to one or more *listees, grant a *waiver of one or more *Listees' Listing Standards in such cases and by reference to such circumstances as it considers appropriate. It may do so at the request of the *listee or of its own accord. However, *APX will only grant a *waiver on a case by case basis and not on a class basis.
- Example: *APX may waive a Rule of its own accord if a *listee applies for a waiver of certain *Listees' Listing Standards and it is apparent to *APX that other Listees' Listing Standards should also be waived.
- 2.1.6.** If *APX grants a *waiver of *Listees' Listing Standards subject to one or more conditions, the *waiver is effective only while each condition is satisfied, unless the waiver expressly provides otherwise.
- 2.1.7.** *APX must regularly publish details of all waivers granted under **Rule 2.1.5**.
- 2.1.8.** If *APX decides to grant a waiver under **Rule 2.1.5**, *APX must lodge with ASIC a notice giving details of the nature of the waiver and the reasons for granting the waiver.

Note: *APX will publish a waiver register monthly, approximately on the 10th of the month. It will normally include waivers granted in the previous month. The register includes a brief description of the waivers that have been granted and the name of the listees granted the waiver.

VARYING AND REVOKING DECISIONS.

- 2.2.1.** *APX may at any time vary a decision in any way, or revoke it. It may do so at the request of the *listee or of its own accord.
- 2.2.2.** A variation or revocation of a decision takes effect from the date on which *APX notifies the *listee of the variation or revocation, unless it is discovered that the decision was based on

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materially incorrect or incomplete information, in which case, *APX may retrospectively vary or revoke the decision with effect from the date it was made.

Example: This **Rule** applies to waivers.

TRANSITIONAL ARRANGEMENTS.

2.3. *APX may publish transitional arrangements in relation to any new Rule. A *listee must comply with the transitional arrangements published by *APX.

DISCRETION APPLYING THE RULES.

2.4. *APX may decide to take no action in response to a breach of the *Listees' Listing Standards. If *APX takes no action, it is not a waiver of the Rule.

CHANGE OF ADMISSION CATEGORY.

2.5. *APX may at any time change a *listee's admission category to another category. *APX may do so on the request of the *listee or of its own accord. *APX is not required to act on the *listee's request. *APX may require conditions to be satisfied before it will act on the request. If *APX decides to re-categorise a *listee, it will seek submissions from the *listee involved. Following advice of the change, the *listee must comply with the *Listees' Listing Standards applicable to a *listee in the new category.

REFUSAL OF LISTING APPLICATION .

2.6. *APX may refuse a listing application if:

- (a) it considers that the *applicant's circumstances are such that the granting of the application would be detrimental to the interests of investors;
- (b) the applicant has *securities already quoted on another financial market and all of those *securities are the subject of an application for admission to *quotation, but the *listee has failed to comply with its obligations to the other financial market; or
- (c) if it considers that the applicant does not comply or will not comply with the *Listees' Listing Standards or with any special condition imposed on the applicant by *APX under **Rule 4.1**.

Example: A *listee may be refused admission if its management does not, in *APX's opinion, have the skills and experience to ensure that it will discharge its obligations as a *listee. In the case of a managed investment scheme, prescribed interest scheme, the management of the *responsible entity or *management company must have the necessary skills and experience.

ENFORCEMENT.

2.7.1 *APX may, at any time, require a *listee to publish (in a newspaper or on the *listees' website) such information in such form and within such time limits as it reasonably considers appropriate for the purpose of protecting investors and maintaining the efficient operation of *APX's financial market.

2.7.2 If a *listee fails to comply with a requirement under **Rule 2.7.1** and if APX is in possession of the information, *APX may itself publish the information on its own website after having given the *listee an opportunity to make representations to *APX to support why the information should not be published.

PROCEDURAL RIGHTS.

- 2.8.** If *APX intends to impose any sanction in accordance with **Rule 2.12.1**, then:
- (a) if *APX considers that either the continued maintenance of the efficient operation of the market or the protection of investors requires otherwise, it may impose the sanction immediately and must notify the person concerned as soon as practicable after the event of their rights under these **Rules** to appeal the decision of *APX to the *Quotation Appeals Committee;
 - (b) otherwise – before imposing the sanction, *APX must notify the person concerned of its intention and inform the person of their right to request a hearing before *APX and make submissions to *APX in relation to the proposed action by *APX. *APX must give 7 days prior notice in writing. The person concerned may elect to make submissions to *APX without appearing at the hearing. If APX does not receive a written request for a hearing from the person concerned within 14 days after notifying the person in accordance with this **Rule**, then the person is deemed to have waived their right to a hearing.

LEVEL OF OPERATIONS.

- 2.9.** The level of a *listee's operations must, in *APX's opinion, be sufficient to warrant the continued *quotation of its *securities.

FINANCIAL CONDITION.

- 2.10.** A *listee's financial condition (including operating results) must, in *APX's opinion, be adequate to warrant the continued *quotation of its *securities.

Note: Composition of the balance sheet, relative size of liabilities to assets and access to funds are some of the indicators of a *listee's financial condition.

LEVEL OF SPREAD.

- 2.11.1.** A *listee must maintain a spread of *security holders in its *main class which, in *APX's opinion, is sufficient to ensure that there is an orderly and liquid market in its *securities.

Note: This **Rule** ensures that a *listee has enough holders in its *main class of *securities. If the *listee also has another *class quoted, and the number of holders in that other *class falls below the number needed for *quotation of it, *APX may end *quotation of that *class. See **Rule 2.25.2**

- 2.11.2.** If *APX requires by written notice, the *listee to obtain sufficient spread, the *listee must do each of the following:

- (a) obtain the required spread within 6 months after the date *APX instructs it to do so; and
- (b) advise all holders of its *quoted securities, in writing, that unless the required spread is obtained within 6 months after the date of the written notice from *APX, *APX may suspend *quotation of the *listee's securities. The *listee must advise the holders, in writing, within 10 *business days after the date of issue of *APX notice.

Note: Advice to holders must be released to the market. See **Rule 12.2.3**.

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Cross-Reference: If the * securities are suspended continuously, the * listee will be removed on the first anniversary of the date its * securities were suspended. See **Rule 2.25**.

2.11.3. * APX's requirement is not met if the spread is obtained by artificial means.

Examples: The following ways of obtaining spread are examples of artificial means:

Giving securities away;

Offering non-recourse loans to prospective security holders to acquire their * securities; or

Using combinations of nominee companies and names.

IMPOSITION OF SANCTIONS.

2.12.1. If * APX finds that a * listee has breached the * Listees' Listing Standards it may do one or more of the following:

- (a) privately censure the * listee;
- (b) publicly censure the * listee and publicise the censure;
- (c) refer the matter to ASIC (this **Rule 2.12.1(c)** does not affect any legal obligation, on the part of *APX, to notify ASIC);
- (d) suspend or end quotation of the * listee's * securities, or any * class thereof; or
- (e) remove an entity from the * official list.

2.12.2. If * APX finds that any contravention of the * Listees' Listing Standards is due to a failure of all or any of the * listee's * directors to discharge their responsibilities under the * Listees' Listing Standards, it may censure each relevant * director and publish that censure. In the case of wilful or persistent failure by a * director to discharge his or her responsibilities following such a censure, * APX may state publicly that in its opinion the retention of office by the * director is prejudicial to the interests of investors.

DELEGATION OF POWERS AND THE QUOTATION COMMITTEE.

2.13.1. * APX may delegate or otherwise appoint a person or committee to exercise on its behalf any power or discretion conferred on * APX by these Rules and any power or discretion exercised by a duly authorised delegate or appointee of * APX is deemed to have been exercised by * APX.

2.13.2. The board of directors of * APX may make a delegation or appointment under **Rule 2.13.1** subject to such terms and conditions as they think fit, provided that each delegate or appointee must agree to comply with these Rules in the exercise of their powers and discretions.

2.13.3. Without limitation to **Rule 2.13.1**, * APX must, by resolution of its board of directors, establish and maintain a * Quotation Committee consisting of at least 3 persons. * APX must fully delegate to the * Quotation Committee its power:

- (a) to grant or reject applications made under **Rules 4.2, 4.3** (application to be admitted to * Official List), **4.32** (application for quotation of additional securities) and **2.1.5** (application for waiver of rules);

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- (b) to suspend *quotation of securities under **Rules 2.16 to 2.22**, reinstate *quotation of securities under **Rule 2.23**, direct the resumption of trading of suspended *securities under **Rules 2.24.1 to 2.24.3** and end quotation under **Rules 2.25.1 to 2.26.2**;
- (c) to impose sanctions against Listees or directors of Listees under **Rules 2.12.1 and 2.12.2** and remove Listees from the Official List under **Rule 2.27**;
- (d) to vary or revoke a decision under **Rules 2.2.1**;
- (e) of discretion under **Rule 2.4** to take no action in relation to a breach of the Rules.

2.13.4. The *Quotation Committee shall comprise the following members:

- (a) a Chairman appointed by the *APX Board in accordance with **Rule 2.13.5**; and
- (b) at least one member in addition to the Chairman appointed by the *APX Board in accordance with **Rule 2.13.5**; and
- (c) no more than one member appointed by the *APX Board in accordance with **Rule 2.13.6**.

2.13.5. The Chairman of the *Quotation Committee and each member (other than a member appointed under **Rule 2.13.6**) must:

- (a) be appointed by resolution of the *APX Board for a term of not more than 3 years;
- (b) be of good fame and character and high business integrity;
- (c) have at least 10 years experience:
 - (i) working in the financial services industry (including capital markets) at the level of senior management or above;
 - (ii) as a professional adviser to the financial services industry (including capital markets);
 - (iii) working at a senior level for an Australian market licensee (or a foreign organisation which, in the reasonable opinion of the *APX Board, is equivalent to an Australian market licensee);
 - (iv) working at a senior level for a regulator of the financial services industry (including capital markets); or
 - (v) working in any combination of the above roles;
- (d) be an *independent external person.

2.13.6. The *APX Board may appoint not more than one member of the *Quotation Committee who is a representative of *APX. A member of the the *Quotation Committee appointed under this **Rule 2.13.6** must:

- (a) be appointed by resolution of the *APX Board for a term of not more than 3 years;
- (b) be of good fame and character and high business integrity;

* See Chapter 1 for defined terms.

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(c) not be a member of the *APX Board.

2.13.7. Members of the *Quotation Committee must comply with all applicable requirements of the *Conflict Management Plan of APX. If any member of the *Quotation Committee has a material interest in the outcome of a decision before a meeting of the *Quotation Committee, then that member is disqualified from attending or voting at that meeting.

2.13.8. A quorum for meetings of the *Quotation Committee is 3 members. If, by operation of **Rule 2.13.7**, there is an insufficient number of members available to form a quorum at a meeting of the *Quotation Committee, then the independent members of the *APX Board must appoint sufficient temporary replacement members to satisfy the quorum requirements for that meeting. Each temporary replacement member appointed must satisfy the requirements of the member whom he or she is replacing. A duly appointed temporary replacement member has the same rights and obligations as a full member of the *Quotation Committee but ceases to be a member at the close of the relevant meeting.

2.13.9. The position of a member of the *Quotation Committee becomes vacant if the member:

- (a) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
- (b) becomes bankrupt or makes any arrangement or composition with his or her creditors; or
- (c) ceases to be qualified for appointment as a member in accordance with the Rule under which he or she was appointed to the *Quotation Committee.

2.13.10. Any member of the *Quotation Committee may retire by giving notice in writing to *APX of his or her intention to do so.

2.13.11. Members of the *Quotation Committee may be paid the remuneration determined by the independent members of the *APX Board. Members may also be paid all travelling and other expenses properly incurred by them in attending and returning from meetings of the *Quotation Committee.

2.13.12. The proceedings of the *Quotation Committee must be conducted in accordance with the requirements of **Rule 2.28**.

2.13.13. The delegation of power to the *Quotation Committee under **Rule 2.13.3** carries with it the power to sub-delegate. The *Quotation Committee may sub-delegate or otherwise appoint a person or committee to exercise on its behalf any power or discretion granted to it under **Rule 2.13.3** subject to such terms and conditions as the *Quotation Committee thinks fit, provided that each delegate or appointee must agree to comply with these Rules in the exercise of their powers and discretions.

QUOTATION APPEALS COMMITTEE.

2.14.1. *APX must, by resolution of its board of directors, establish and maintain a *Quotation Appeals Committee consisting of 3 persons which is to have full power and the exclusive right to hear appeals against decisions of *APX on lodgment of a notice of appeal.

2.14.2. The *Quotation Appeals Committee shall comprise the following members:

* See Chapter 1 for defined terms.

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- (a) a Chairman appointed by the *APX Board in accordance with **Rule 2.14.3**;
- (b) one member appointed by the *APX Board in accordance with **Rule 2.14.4**; and
- (c) one member appointed by the *APX Board in accordance with **Rule 2.14.5**;

but no current member of the *Quotation Committee is eligible to be appointed as a member of the *Quotation Appeals Committee.

2.14.3. The Chairman of the *Quotation Appeals Committee shall be appointed by resolution of the *APX Board for a term of not more than 3 years. The Chairman must:

- (a) be either:
 - (i) a retired judge; or
 - (ii) a person who has been admitted to practice as a barrister or a solicitor of a State or Territory of Australia or of the High Court of Australia for a period of at least 20 years; and
- (b) be an *independent external person.

2.14.4. The *APX Board may appoint one member of the *Quotation Appeals Committee who is a representative of *APX. A member of the the *Quotation Appeals Committee appointed under this **Rule 2.14.4** must:

- (a) be appointed by resolution of the *APX Board for a term of not more than 3 years;
- (b) be of good fame and character and high business integrity;
- (c) not be a member of the *APX Board.

2.14.5. Members of the *Quotation Appeals Committee (other than members appointed under **Rule 2.14.3** or **2.14.4**) shall be appointed by resolution of the *APX Board for a term of not more than 3 years. A member of the *Quotation Appeals Committee appointed under this **Rule 2.14.5** must:

- (a) be of good fame and character and high business integrity;
- (b) have at least 10 years experience:
 - (i) working in the financial services industry (including capital markets) at the level of senior management or above;
 - (ii) as a professional adviser to the financial services industry (including capital markets);
 - (iii) working at a senior level for an Australian market licensee (or a foreign organisation which, in the reasonable opinion of the *APX Board, is equivalent to an Australian market licensee);
 - (iv) working at a senior level for a regulator of the financial services industry (including capital markets); or

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- (v) working in any combination of the above roles; and
 - (c) be an *independent external person.
- 2.14.6.** Members of the *Quotation Appeals Committee must comply with all applicable requirements of the Conflict Management Plan of APX. If any member of the *Quotation Appeals Committee:
- (a) has participated in meeting of the *Quotation Committee which made the decision the subject of the appeal; or
 - (b) otherwise has a material interest in the outcome of a decision before a meeting of the *Quotation Appeals Committee,
- then that member is disqualified from attending or voting at the meeting of the *Quotation Appeals Committee.
- 2.14.7.** A quorum for meetings of the *Quotation Appeals Committee is 3 members. If, by operation of **Rule 2.14.6**, there is an insufficient number of members available to form a quorum at a meeting of the *Quotation Appeals Committee, then the independent members of the *APX Board must appoint sufficient temporary replacement members to satisfy the quorum requirements for that meeting. Each temporary replacement member appointed must satisfy the requirements of the member whom he or she is replacing. A duly appointed temporary replacement member has the same rights and obligations as a full member of the *Quotation Appeals Committee but ceases to be a member at the close of the relevant meeting.
- 2.14.8.** The position of a member of the *Quotation Appeals Committee becomes vacant if the member:
- (a) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
 - (b) becomes bankrupt or makes any arrangement or composition with his or her creditors; or
 - (c) ceases to be qualified for appointment as a member in accordance with the Rule under which he or she was appointed to the *Quotation Appeals Committee.
- 2.14.9.** Any member of the *Quotation Appeals Committee may retire by giving notice in writing to *APX of his or her intention to do so.
- 2.14.10.** Members of the *Quotation Appeals Committee may be paid the remuneration determined by the independent members of the *APX Board. Members may also be paid all travelling and other expenses properly incurred by them in attending and returning from meetings of the *Quotation Appeals Committee.
- 2.14.11.** Each of the following persons is a “person aggrieved” by a decision of *APX:
- (a) a *listee against whom *APX has imposed any sanction; and
 - (b) a director of a *listee against whom *APX has imposed any sanction.
- 2.14.12.** A person aggrieved may appeal to the *Quotation Appeals Committee by lodging with the *secretary a notice of appeal in the form approved by *APX. The notice of appeal must set out

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the grounds of appeal and must be lodged within 30 days after *APX has notified the person aggrieved of the decision the subject of the appeal.

- 2.14.13.** Within 14 days of receipt of a notice of appeal, the Chairperson must appoint a date, time and place for the appeal hearing and must specify those details in a written notice to each of *APX and the parties to the appeal. The date appointed for the hearing shall be not more than 60 days and not less than 21 days after the date of the notice. The *Quotation Appeals Committee may vacate the hearing date and appoint a substitute hearing date provided that reasonable notice of the later date is given to the parties and may adjourn and re-convene its proceedings as it thinks fit.
- 2.14.14.** Each appeal shall not be conducted as a re-hearing, but the *Quotation Appeals Committee may review any findings of fact or law reached in the decision under appeal. The *Quotation Appeals Committee may affirm, vary or set aside the appealed decision and any penalty.
- 2.14.15.** The *Quotation Appeals Committee must, within 30 days of making its decision, give to *APX and the parties to the appeal the reasons in writing for its decision.
- 2.14.16.** The unsuccessful party to an appeal must pay the reasonable costs of the successful party unless the *Quotation Appeals Committee determines otherwise. If the successful appellant is *APX, the *Quotation Appeals Committee may, in its discretion, determine that the respondent must pay some or all of the reasonable costs of *APX with respect to the investigation and initial hearing of the proceedings the subject of the appeal.
- 2.14.17.** The proceedings of the *Quotation Appeals Committee must be conducted in accordance with the requirements of **Rule 2.28**.
- 2.14.18.** The decision of the *Quotation Appeals Committee shall be final and binding upon the parties.

TRADING HALTS: HOW AND WHEN A TRADING HALT OCCURS.

- 2.15.1.** *APX may grant a *trading halt at the request of a *listee or where the *listee makes an *announcement. *APX may require the request to be in writing. *APX is not required to act on the *listee's request. The *listee must tell *APX each of the following:
- (a) its reasons for the *trading halt;
 - (b) how long it wants the *trading halt to last;
 - (c) the event it expects to happen that will end the *trading halt;
 - (d) that it is not *aware of any reason why the *trading halt should not be granted; and
 - (e) any other information necessary to inform the market about the *trading halt, or that *APX reasonably asks for.
- 2.15.2.** The *trading halt cannot extend past the close of trading on the day for which it is granted.

Example: A *listee tells *APX that it expects an important announcement to be made that day after a board meeting. It asks for a *trading halt. The *trading halt will operate until the *announcement is made or the close of trading on that day, whichever occurs sooner.

- 2.15.2.** *APX may suspend *quotation of a *listee's securities, even if the *securities are subject to a *trading halt. However, if the *listee requested the *trading halt (without *APX's intervention) to

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prevent trading in its securities taking place in an uninformed market, APX will not suspend quotation of the securities before the close of normal trading on the day that the trading halt was requested.

Example: APX intervenes by querying a price or volume movement that results in the request for the trading halt.

SUSPENSION OF QUOTATION.

GENERAL RULE.

2.16. Where the efficient operation of the market is, or may be, temporarily jeopardised or where protection of investors so requires, APX may suspend, with effect from such time as it may determine, the quotation of any securities at any time and in such circumstances as it thinks fit (whether or not at the request of the listee).

COMPULSORY ACQUISITION.

2.17.1 In the case of a compulsory acquisition following a takeover under the Act, APX will suspend quotation of a listee's securities, 5 business days after it receives a copy of the compulsory acquisition notice sent to holders of securities in the bid class that the bidder is entitled to acquire their securities.

2.17.1A APX may decide not to suspend quotation of securities in a class that was not the bid class.

Note: As at 1 July 2003, section 9 of the Act says that the bid class of securities for a takeover bid is the class of securities to which the securities being bid belong.

Cross-reference: **Rule 2.27** deals with the removal of the listee.

2.17.2 In the case of a compulsory acquisition under Part 6A.2 of the Act, APX will suspend quotation of a listee's securities 5 business days after it receives written notice from the listee of either of the following:

- (a) the objection period set out in the compulsory acquisition notice has ended and holders of at least 10% of the securities covered by the compulsory acquisition notice have not objected to the acquisition before the end of the objection period.
- (b) the court has approved the acquisition under section 664F of the Act.

Note: As at 1 July 2003, if holders of at least 10% of the securities covered by a compulsory acquisition notice object to the proposed acquisition, the 90% holder may apply to the court under section 664F of the Act for court approval of the compulsory acquisition.

2.17.2A APX may decide not to suspend quotation of securities in a class that was not the class to which the securities covered by the compulsory acquisition notice belong.

Cross-reference: **Rule 2.27** deals with removal of the listee.

FAILURE TO LODGE DOCUMENTS.

2.18 If a listee fails to give APX the documents required under **Rules 9.1, 9.17.1 or 9.25.1** or the annual report required under **Rule 9.20.1**, APX will suspend the listee's securities from quotation on the business day after the date on which the documents were due. APX will not waive this **Rule**.

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Note: The *listee's securities are suspended before trading commences.

FAILURE TO PAY ANNUAL LISTING FEES.

2.19 If *APX does not receive payment of an *listee's annual listing fee by the due date, *APX will suspend *quotation of the *listee's *securities on the next business day. *APX will not waive this **Rule**.

Note: The *listee's securities are suspended before trading commences.

Cross-reference: **Rule 2.28.1** deals with the removal of the *listee.

CONTINUED COMPLIANCE WITH THE LISTEES' LISTING STANDARDS.

2.20 A *listee, the quotation of whose *securities is suspended, must continue to comply with all *Listees' Listing Standards applicable to it, unless *APX agrees otherwise.

REQUEST BY LISTEE IN WRITING.

2.21.1. Any request by a *listee that its *securities be suspended from quotation must be confirmed to *APX in writing. The *listee must advise *APX of each of the following:

- (a) its reasons for the request for suspension;
- (b) an estimation of the period of duration of the suspension; and
- (c) the circumstance it believes will relieve the need for suspension.

2.21.2. The burden shall be on the *listee requesting a suspension of trading in its *securities to satisfy *APX that a suspension would be appropriate.

Note: *APX is under an obligation to maintain an orderly and fair market for the trading of all *APX *listed securities and *listed securities should be continuously traded save in exceptional circumstances.

DURATION.

2.22. The duration of any suspension should be for the shortest possible period. It is the responsibility of the *listee of *securities suspended from trading to ensure that trading in its *securities resumes as soon as practicable following the publication of an appropriate announcement or when the specific reasons given by the *listee in support of its request for a suspension of trading in its *securities, pursuant to **Rule 2.21.1**, no longer apply.

Note: (1) *APX is under an obligation to maintain an orderly and fair market for the trading of all *APX *listed securities and *listed securities should be continuously traded save in exceptional circumstances

- (2) *APX considers that the continuation of any suspension beyond such period as is absolutely necessary denies reasonable access to the market and prevents its proper functioning.

REINSTATEMENT FOLLOWING SUSPENSION.

2.23. Where *quotation has been suspended, the procedure for lifting the suspension will depend on the particular circumstances and *APX may impose such conditions as it considers appropriate.

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For example, a temporary suspension pending an announcement will usually be lifted when the announcement is made.

Note: Reinstatement does not necessarily mean that * APX accepts that the * listee is complying with the Rules.

Note: * APX may decide not to reinstate quotation if the * securities should be suspended for another reason. See **Rule 2.16**.

Cross-reference: **Rule 18.7**.

RESUMPTION OF TRADING - ORDERED BY APX.

2.24.1. * APX shall have the power to direct the resumption of trading of suspended * securities. In particular * APX may :

- (a) require a * listee to publish an * announcement, in such terms and within such period as * APX shall in its discretion direct, notifying the resumption of trading in the * listee's suspended * securities, following the publication of which * APX may direct resumption of trading; and/or
- (b) direct a resumption of trading following the publication of an announcement by * APX notifying the resumption of trading in the suspended * securities.

2.24.2. The power conferred upon * APX by **Rule 2.24.1** shall not be exercised without first giving the * listee of the suspended * securities the opportunity of being heard in accordance with **Rules 2.14.11 to 2.14.13** of the Quotation Appeals Committee. At any hearing in connection with a direction pursuant to **Rule 2.24.1**, the burden shall be on the * listee opposing the resumption of trading in its * securities to satisfy * APX that a continued suspension would be appropriate.

Note : (1) * APX is under an obligation to maintain an orderly and fair market for the trading of all * APX * listed securities and * listed securities should be continuously traded save in exceptional circumstances.

(2) * APX considers that the continuation of any suspension beyond such period as is absolutely necessary denies reasonable access to the market and prevents its proper functioning.

2.24.3 The power conferred upon the APX by **Rule 2.24.1** shall be exercised without prejudice to the ability of * APX to pursue such other remedies as may be available to it under the * Listees' Listing Standards.

ENDING QUOTATION.

2.25.1 * APX may at any time end * quotation of a * class of a * listee's * securities if any one of the following applies:

- (a) the * listee requests it;
- (b) the * securities no longer meet the requirements necessary for * quotation; or
- (c) special circumstances exist which preclude normal * dealings in the * securities.

* APX is not required to act on the * listee's request.

Note: * APX may require the * listee to advise * security holders before ceasing * quotation.

Example: A * class of * preference securities may no longer be held by enough holders, because of redemption or conversion of them, and * APX may suspend * quotation of the * class on six months' written notice in accordance with **Rule 2.11**. If the

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suspension lasts longer than 6 months, it may constitute special circumstances under **Rule 2.25.1(c)**, giving rise to the power of *APX to end *quotation of the *class. .

2.25.2 For the purposes of **Rule 2.25.1**, “special circumstances” will normally include a suspension lasting longer than six months without the *listee taking adequate action to obtain restoration of *quotation. During a suspension *APX will review the progress made by the *listee towards obtaining restoration and will notify the *listee in advance of any ensuing intention to end the quotation on an impending date.

AT LISTEE’S REQUEST.

2.26.1 Subject to **Rule 2.26.2**, a *listee which wishes *APX to end the *quotation of any of its *securities must notify the *APX Announcements Office and send a *circular to the holders of those *securities, giving at least 20 *business days notice of the intended cancellation. The *circular must comply with the requirements of **Rule 12.1** (contents of all *circulars).

Note: Removal is usually effective from the close of business on a date *APX chooses.

2.26.2 A *circular need not be sent to holders of *securities whose quotation is intended to be ended:

(a) where, following a *takeover, the *securities have become subject to the compulsory acquisition procedures of the *Act and notice has been given by the offeror of its intention to end the quotation of the *securities in these circumstances in the initial offer document or any subsequent *circular sent to the holders of the *securities, provided that the date for cancellation of the quotation is not less than 20 *business days after the date such notice was first given; or

Note: Normally the removal takes place on the 3rd business day following the date on which the *listees’ *securities were suspended. No request for removal is required.

(b) upon or following the completion of any transaction in connection with which a *circular has been sent to holders of the *securities containing notice of the intention to end quotation of the *securities on or after the completion of the transaction, provided that the date for cessation is not less than 20 *business days after the date of the relevant *circular.

REMOVAL FROM OFFICIAL LIST.

2.27 *APX may at any time remove a *listee from the *official list if the *listee is in serious breach of these Rules. If *APX’s decision to remove a *listee from the *official list is conditional, the *listee is removed when the conditions are met. If the decision is unconditional, the *listee is removed on the date specified in the decision. If no date is specified in the decision the *listee is removed on the date of the decision.

Note: Removal is usually effective from the close of trading on a date decided on by *APX.

Example: *APX may require a *listee to notify its *security holders that it has requested removal and the removal will take place on a set date.

PROCEEDINGS OF COMMITTEES.

2.28 The following provisions apply to the proceedings of a committee conducted in accordance with these Rules:

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- (a) The proceedings must be held in private, except that the committee must permit at least 2 representatives of each of *APX and the parties to the proceeding to be present and make submissions.
- (b) The parties to the proceeding and *APX may appear in person and make submissions and are entitled to be represented by:
 - (i) an employee or officer of the person;
 - (ii) a barrister or solicitor of the Supreme Court of a State or Territory of Australia or of the High Court of Australia; or
 - (iii) any other person approved by the committee.
- (c) If a party to the proceeding or *APX does not wish to appear in person or be represented before the committee, that party or *APX may, not less than 5 days before the date of the hearing, lodge with the committee a written submission for consideration by the committee in relation to the hearing.
- (d) All evidence and material placed before a committee or considered by it at a hearing must be kept confidential, but nothing in this **Rule** prevents a committee from disclosing confidential information:
 - (i) to a party to the proceeding, its employees, related corporations and advisers;
 - (ii) to *APX, its employees, related corporations and advisers;
 - (iii) to any advisers to the committee;
 - (iv) as required by these Rules or by law.
- (e) The proceedings must be conducted with as little formality and technicality and with as much expedition as a proper consideration of the matters before the committee permits. The quorum requirements (if any) in relation to a committee must be observed at all times during the proceedings of the committee. If at any time a quorum of the committee is not present, the proceedings of the committee must be adjourned. Subject to this **Rule 2.28**, a committee may conduct its proceedings as it thinks fit.
- (f) A committee may make a transcript of proceedings at a hearing, a copy of which must be made available to the parties to the proceedings and *APX. Where an *affiliate is the subject of the proceedings, a copy of the transcript of the proceedings must be made available to the *APX broker with whom that *affiliate was connected at the relevant time.
- (g) The decision of a committee must be determined according to a simple majority of votes of the committee members. Each member has a deliberative vote. The chairperson has a deliberative vote but not a casting vote.
- (h) A committee may obtain such legal advice as it thinks appropriate in the circumstances and may have its legal advisers present at a hearing.
- (i) A committee may conduct proceedings at 2 or more venues simultaneously using technology consented to by all of the members of the committee. The consent may be

* See Chapter 1 for defined terms.

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a standing one. A member of the committee may only withdraw their consent within a reasonable time before the hearing.

- (j) A committee must make its decision free of bias and must give the parties to the proceedings a fair hearing and must in all other respects observe the rules of natural justice.
- (k) A committee must comply with any provisions of the constitution of *APX which specifically regulate the meetings of that particular committee or committees generally.

INDEMNIFICATION OF TRIBUNAL MEMBERS.

2.29 Each member of the *Quotation Committee and the *Quotation Appeals Committee (“Indemnified Party”) is indemnified by *APX against:

- (a) all losses suffered by an Indemnified Party;
- (b) all liabilities incurred by an Indemnified Party; and
- (c) all legal costs (on a solicitor and own client or full indemnity basis, whichever is the greater) in connection with a demand, action, arbitration or other proceeding (including mediation, compromise, out of court settlement or appeal);

arising directly or indirectly as a result of or in connection with the exercise of their powers or functions under these Rules other than any liability in respect of any negligence, wilful default, breach of duty or breach of trust by an Indemnified Party.

2.30 Notwithstanding anything contained in **Rule 2.29** each Indemnified Party is indemnified by *APX against any liability incurred by the Indemnified Party in defending any proceedings, whether civil or criminal, in which judgment is given in favour of the Indemnified Party or in which the Indemnified Party is acquitted or in connection with any application in relation to any such proceedings in which relief is under the *Act granted to the Indemnified Party by any court of competent jurisdiction.