

CHAPTER 16 LEAP MARKET

PART A GENERAL

16.01 Introduction

A Participating Organisation and its Registered Persons must comply with this Chapter in addition to other provisions of these Rules in relation to trading on the LEAP Market.

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PART B REQUIREMENTS FOR THE LEAP MARKET

16.02 Sophisticated Investor

- (1) The LEAP Market is intended for trading by Sophisticated Investors only, except as specified in Rule 16.02(2)(b) and 16.02(3).
- (2) A Participating Organisation must not allow a Client to trade or undertake transactions on the LEAP Market unless it is satisfied that the Client is either —
 - (a) qualified as a Sophisticated Investor; or
 - (b) not qualified as a Sophisticated Investor but is a current securities holder of a corporation listed on the LEAP Market and the trade is solely for selling the Client's existing securities in the corporation.
- (3) A Participating Organisation may only undertake proprietary trading in securities listed on the LEAP Market, in such circumstances as may be prescribed by the Exchange.

16.03 Risk disclosure statement

A Participating Organisation may only execute a Sophisticated Investor's first instruction to trade or carry out a transaction on the LEAP Market after receipt of a duly executed risk disclosure statement in the form provided by the Participating Organisation.

16.04 Financing

A Participating Organisation is not permitted to provide margin financing pursuant to Rule 7.30 for the purpose of the subscription to or purchase of LEAP Market securities.

16.05 Direct Business Transactions

A Participating Organisation need not apply to the Exchange for prior approval in relation to a Direct Business Transaction undertaken on the LEAP Market, even though the Direct Business Transaction meets the criteria prescribed in Rule 10.01(1)(d).

[End of Chapter]