

19 February 2024

NZX Dark and Self-Match Prevention: Notice of Rule and Procedure Amendments

Last year, NZX consulted on changes to its regulatory policy to facilitate:

- the introduction of NZX Dark a voluntary anonymous unlit order book, and
- the enhancement of the self-match prevention tool through the introduction of booking purposes only transaction (**BPOT**) functionality.

NZX has now obtained all necessary regulatory approvals and wishes to notify the market of changes to certain rules and procedures to give effect to the outcomes of those reviews, which will become effective on 20 March 2024.

NZX Dark

NZX gives notice of amendments to the NZX Participant Rules to support the introduction of NZX Dark, a voluntary anonymous 'unlit' order book, on which trades will execute at the mid-point of the current spread of Orders on NZX Central. The Trading Conduct Guidance Note will also be amended to reflect the introduction of NZX Dark.

The amended NZX Participant Rules and Trading Conduct Guidance Note will become effective on 20 March 2024.

NZX expects that NZX Dark will be made available for market participants in Q2 2024.

Self-Match Prevention Enhancements

NZX also gives notice of amendments to the NZX Participant Rules and Procedures, and NZX Derivatives Market Rules and Procedures to support the introduction of BPOT functionality within the optional self-match prevention tool. This tool supports Participants in complying with their obligations in relation to Trades that do not result in a change in beneficial ownership. The Self-Match Prevention Practice Note will also be amended to reflect the enhanced functionality.

The amended NZX Participant Rules and Procedures, NZX Derivatives Market Rules and Procedures and Self-Match Prevention Practice Note will become effective on 20 March 2024.

NZX expects to make the new BPOT functionality available to market participants in Q4 2024.

Amendments

A mark-up of the amendments to the Rules and Procedures described above, along with the amended Trading Conduct Guidance Note and Self-Match Prevention Practice Note are available at the link below:

<https://www.nzx.com/regulation/nzx-rules-guidance/upcoming-rules-guidance-changes>

For further information, please contact:

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